FEB 1 5 1932

# Management 1

"Business Is What You Make It," Says G. E. —Sales up 79% in Special Drive . . .

Strickland Gillilan Writes about Making Conventions Pay . . .

Cut Price Staples versus Profitable Specialties . . . . .

TWENTY CENTS

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# Hditedfor 1932

A MAGAZINE is merchandise, just as much as a cake of soap or a pound of coffee.

But its editorial appeal is its suds and flavor. That must be modern—built for 1932—for on its editorial platform every magazine must stand

or fall.

Unless, like The American Weekly, a magazine capture and stir the interest and the imagination of the people it cannot expect to hold the support and indulgence of the advertiser.

By keeping the editorial finger on the pulse of public interest, 1932 finds The American Weekly

the mightiest magazine of them all.

Mightiest because its circulation of 5,500,000 is nearly double that of its nearest competitor.

And that, obviously, is because it interests nearly twice as many people.

Why?—Examine it if you please:

From cover to cover it is written for 1932 and not for 1922.

- Dramatic episodes from the lives of real people made vital and absorbing by accurate and skilled writers.
- -Fascinating facts of nature.
- -Articles on health and human psychology.
- -Scientific progress related as entrancingly as the Arabian Nights.
- -Fiction by the best story tellers of our day.
- Romance—adventure—fashion—every facet of human interest set alive and sparkling by the magic touch of journalism.
- —All twined and intermingled to make up the most interesting magazine in the world.

Because its interest is so wide and varied, the advertising pages which accompany this magazine reach the eyes of more than one member in every family.

With a full-page advertisement printed in four colors you can reach all these families, located in the nation's richest buying areas at a cost of less than  $\frac{1}{3}$  cent per family.

#### Where this magazine goes

The American Weekly dominates the urban markets by concentrating 70% of its total circulation in 578 of America's 997 towns and cities of 10,000 population and over. (1930 U. S. census figures.)

In each of 152 cities, it reaches one out of every two families

In 108 more cities, 40 to 50% of the families In an additional 146 cities, 30 to 40% In another 172 cities, 20 to 30%

... and, in addition, more than 1,700,000 families in thousands of other communities, large and small, regularly buy The American Weekly.

That is why The American Weekly offers the drive and force required to sell goods in 1932.

That is why in lean times as well as fat The American Weekly marches on while others lag.

Where can you spend your advertising dollar more effectively?



#### Cock-A-Doodle-Doo

January, 1932, was the largest January in volume of advertising linage and revenue in the history of The American Weekly.

THE MERICAN

Greatest
Circulation in the World

Circulation in the World

Circulation in the World

Main Office: 959 Eighth Avenue, New York City

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# FRANKLIN D. ROOSEVELT WAS A BIG HELP

TO DR. GALLUP'S RATING OF LIBERTY AS AMERICA'S BEST READ WEEKLY



#### America's Best Read Article

Dr. Gallup—in his recent census of what four thousand magazine readers actually saw and read—found the Liberty article "Is Franklin Roosevelt Physically Fit To Be President" to have been read by more persons than any other article in any other magazine during the six weeks' test period.

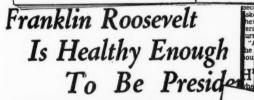
On the average, Liberty editorial features were found to be:

17% better read than those in Weekly A 6% better read than those in Weekly B 41% better read than those in Weekly C

And this, after all, is but a statistical analysis of the reason why more men and women ask for Liberty, week after week, 52 times a year, than any other magazine published.

Dramatic, simple, candid, concise, Liberty brings greater attenion to its advertisers, gives costly advertisements a better chance to succeed in 1932.

No wonder issue after issue shows new companies accepting the opportunity offered. Liberty's January quota was exceeded by 25%; February, by 10%. And Liberty's 1932 quota is 15% over 1931 billing! Will you join our progress?



FIND ROOSEVELT PHYSICALLY STRONG Physically Fit for Presidence Physical Physic Physically Fit for Presidency

Office.

Lepublican Challenger, Aided by Medical Cor In Liberty of this week Easts Looker and Examines New York Governor—Finds Hatter, sing chapter to current political in Examines New York Governor—Finds Hatter, it is an unique to current political in the cically Fit, and Reports Liberty Maga Looker art Richard Times of the Contribution.

Say Roosevelt Physically Fit for the Pres

Physically Fit to Be Presiden time of an article in Liberty Looker. After lengthy Coser across the wheat belt. Secretary of Treasury Ap-W. Mellon

Sure In The Ring Sure In The Ring

BERTY magazine hastens to assure the mation that Governor Roosevelt is mation that Governor Roosevelt is the committee of th physica

GOV. ROOSEVELT'S HEALTH o many times has the question bee ed as to the physical fitness of Gor dure the burdens of the Presi

Interviews and Examination made by Earle Looker of Northampton Massachusetts, who reports his finding the alth Leat whiter Mr. Looker addressed.

That is a somewhat unusual step which has been taken by the weekly magazine "Liberty" in

e to Meet any Dema

A statement, signed by three me ecclalists, holding that Gov. Fran Life. Specialists R Mashington, D. C. Star Roosevelt Is Found After Physically Fit' for

ob at White H Earle Looker, Northampton nom the Journal's new yor New York, N. Y.—"Is Go alt Physically Fit to Be Pri Says Roosevelt Is Physics

the title of an article in the Republ Cov. Say Roosevelt Is Physically velt Declared for Presidency Fit For Duty

Published every Saturday and copyrighted by Sales Management, Inc., 420 Lexington Ave., New York, N. Y. Subscription price \$4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office at New York, N. Y., under the Act of March 3, 1879. Volume XXIX, No. 7.



#### \$3,000 RING found in bath tub

THIS departing guest was frantic: A \$3,000 diamond ring lost-and he couldn't wait to look for it. With agony in his voice, he called the United Manager. Three hours go by. The guest has gone, but the manager is still on the job.

A wild idea—the Manager pokes a flash-light down the bath tub drain-there's a faint sparkle-plumbers arrive, the drain gives up a \$3,000 ring.

Another true story proving that United Managers do the impossible in finding lost articles. This extra service costs the hotel money? Yes, but what of it. Extra service is taken for granted at United Hotels, just like larger rooms per dollar-and handy garage accommodations.

Extra service at these 21

#### UNITED HOTELS

NEW YORK CITY'S only United The Roosevelt
PHILADELPHIA, PA The Benjamin Franklin
SEATTLE, WASHThe Olympic
WORCESTER, MASSThe Bancroft
NEWARK, N. J
PATERSON, N. J The Alexander Hamilton
TRENTON, N. JThe Stacy-Trent
HARRISBURG, PA The Penn-Harris
ALBANY, N. Y The Ten Eyck
SYRACUSE, N. Y The Onondaga
ROCHESTER, N. Y
NIAGARA FALLS, N. Y
ERIE, PA: The Lawrence
AKRON, OHIOThe Portage
FLINT, MICH The Durant
KANSAS CITY, MO The President
TUCSON, ARIZEl Conquistador
SHREVEPORT, LA The Washington-Youree
TORONTO, ONTThe King Edward
NIAGARA FALLS, ONTThe Clifton
WINDSOR, ONT The Prince Edward

# rvey of Surveys

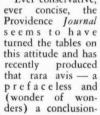
#### BY WALTER MANN

#### Taciturnity Plus!

As S.O.S. has so often pointed out, promotion and research material put out by publishers seems, above all other promo-tion, to have a tendency to pile up care-fully prepared but often none-too-revelant data on their markets and on their publications as applied to those markets-backed by an almost unquenchable hope that ad-

vertisers can be led hither and yon over the field of loose logic and finally into that haven of havens, an advertis-ing order.

Ever conservative, this attitude and has (wonder of



less report! From the moment you step inside the front cover you find nothing but figures, charts, tables and one brief page of sources on the back cover. And that's

Pirie MacDonald

Walter Mann

Cal Coolidge, so the story goes, went to church one Sunday morning without Mrs. Coolidge. When asked by Mrs. Coolidge what the preacher's sermon had been on, Cal succinctly replied "Sin". "Well," said Mrs. Coolidge, intent on conversation, "what did he have to say about it?" "He's agin' it," said Cal briefly, closing the subject. ject.

For brevity and conciseness, "Retail Expenditures in the Providence Market" (for such is this compendium's title) sort-of-out-Cals Cal himself. Yet it is packed just as full of pointed comment as was Cal's remark about the preacher. Just an old New England custom, and, oh, how welcome in this period of research tomes. It is eight pages of statistical pemmican, aptly described as "a conservative picture of the immediate business in the Providence area.' In other words, Providence stands high enough in this depression year for them not to have to resort to the good old "prosperity year" figures to prove an immediate buying power. New England had her bumps before the depression started. Therefore, she didn't have so far to fall when falling-down-and-going-boom time came around for the rest of the nation. All this is reflected in the figures given in this report.

Providence having been one of the eleven cities chosen by the Department of Com-merce in 1927 in which to make a special try-out Census of Distribution, a mass of data was available on which to build up similar figures for 1931. They are corrected to current population figures and checked with figures recently put out by Brown University's (located in Providence) Busi-Service-which were found slightly higher than those supplied by the

Providence Journal, thus substantiating the Journal's claim that this is a conservative set of figures.

Figures are given by commodity groups showing the estimated total expenditure in dollars for (1) all families in Providence,

dollars for (1) all families in Providence, (2) all families reached by the unduplicated circulation of the Journal and the Bulletin, (3) those reached by the Journal alone, (4) those reached by the Bulletin alone, and (5) by the Sunday Journal.

Following are the commodity groups for which the figures are available: (1) Automotive; (2) Building and Housing Equipment and Materials; (3) Business Commodities; (4) Cigars, Cigarettes, Tobacco, etc.; Foodstuffs of all kinds; Men's and Boys' Clothing and Furnishings; (5) Women's and Misses' Clothing; (6) Shoes and other Footwear; (7) Children's Wear, Women's and Misses' Clothing; (6) Shoes and other Footwear; (7) Children's Wear, Piece Goods, etc.; (8) Home Furnishings; (9) Drugs, Toilet and Rubber Goods; (10) Jewelry, Silver, Optical Goods; (11) Books, Stationery, Paper, Cameras; (12) Miscellaneous. Similar figures are also given for Providence County and for all of Rhode Island (which isn't much more), followed by more detailed figures under followed by more detailed figures under each of the classifications described above than you could shake a stick at, for city, county and state.

A jointly prepared piece of research promotion is entitled "Circulation Survey of Providence Newspapers," which, it develops, is an analysis of the circulation of Providence newspapers as of city, county and state, by income groups showing the duplication and net coverage in the following income classes: incomes over \$7.500. ing income classes: incomes over \$7,500, \$5,000 - \$7,500, \$4,000 - \$5,000, \$3,000 - \$4,000, \$1,500 - \$3,000 and under \$1,500. Both figures and percentages are given for the daily *Bulletin*, the daily *Journal* and the *News-Tribune*; for the Sunday *Journal*, and for combinations of the Bulletin and Journal and the Bulletin and News-Tribune. Given also are family and income group tables, as well as duplication figures, plus graphs, charts and tables.

Brief, concise as Cal Coolidge himself, the income study and its attendant studies might well serve as a model for the other ten of the eleven original cities to do a similar job.

Available through the Providence Journal Company, Providence, R. I., along with "Merchandising Analysis, Providence Retail Trade Area" and "Circulation Survey of Providence Newspapers"—all studies made within the last twelve months. Write for them on your business letterhead.

#### Thumbnail Review

Broadcast Advertising, the Fourth Di-mension, by Frank A. Arnold. A treatment of radio broadcast advertising from its earliest days to the present time. The book discusses, among other subjects: obtaining radio circulation, planning of programs, reaching audiences, the advertising agency and broadcasting, and the results of broadcast advertising. John Wiley & Sons Co., Inc., 440 Fourth avenue, New York, 1931. 275 pp. \$3.00.

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#### What's New

Business is in the doldrums only for those who lie down on the job and say, "What's the use of trying to sell? There's a depression on." Those who are organizing strong selling campaigns and carrying them out vigorously and intelligently are garnering orders a-plenty. General Electric ran a special "Brighten Up" campaign on Edison Mazda lamps during the last quarter of 1931, the returns of which are published this week. A 79.9 per cent increase over the same period of 1930—how's that for a record?

Are the department stores overlooking opportunities for building profits on specialty products? L. R. Boulware, general sales manager, The Syracuse Washing Machine Corporation, says they are. He points out some of those lost opportunities in the leading article on page 218.

Strickland Gillilan, veteran of many conventions, says the day of the big gathering which features lots of entertainment and little business is gone. "Make Your Convention Pay!" is the title of his article on page 220.

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# Sales Management

Vol. XXIX. No. 7

February 13, 1932

#### This Week

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# The Postman Whistles

#### And a Dash of Chili!

You will find that we have ordered for all of our salesmen reprints of the illustrated articles you have printed on various subjects, for the purpose of showing the rewards of cultivating the "out-of-the-way" prospect. We have had a fine reaction from our men to these articles as we have found it very fruitful during the past two years to cultivate the "untilled places." Such articles have real meat in them. Keep them up.—Casper Apeland, Brevolite Lacquer Company, North Chicago, Illinois.

(Mr. Apeland refers in particular to the two articles entitled "There's Money in Doorbells" and "Till the Untilled Places," which were among the series SM has been printing for the use of sales executives in stimulating salesmen.—THE EDITORS.)

#### S.O.S.—Uniquely Interpreted

In the absence of a modification of the Eighteenth Amendment as a partial aid to the relief of the current unemployment situation, your publication, because of its nature and scope, could act as an important relief agency.

The writer has in mind an article, or a

The writer has in mind an article, or a series of articles, appealing to sales managers in general to write their salesmen to "dig in like never before." While we feel that salesmen are doing their utmost to bring in orders, a special S.O.S. (Sell, Oh, Sell!) letter, asking for greater selling effort, would unquestionably develop additional business.

From a salesman's point of view we can appreciate that the duration of this depression is tearing down sales fortitude and a united appeal by all the sales managers that can be enlisted would tend to bring about renewed courage and effort. If you think this thought is worth furthering, the writer suggests that some arrangement be made to have uniformity as to the appeal used and the date it is made. It is an established fact that there are many hundreds of concerns that are waiting to place orders for raw stocks and finished goods just as soon as things look brighter, and if some of this business can be obtained now, the sooner that bright spot will loom on the horizon.

In connection with an appeal of this kind the writer offers his 100 per cent cooperation and support.—R. C. McNeely, Sales Manager, Signal Electric Manufacturing Company, Menominee, Michigan.

(There is considerable evidence that the "bright spot" Mr. McNeely talks about is —shall we say?—within shouting distance. For several weeks SALES MANAGEMENT'S "Plus Signs" editor has had more than twice as much copy as space in the book would accommodate. Last week we gathered one impressive group of such signs into a single page of which reprints are being made. They are available to subscribers at two cents each. Mail them to your dealers and salesmen.—The Editors.)

#### Let's Talk about Operations

I noted in a recent issue of SALES MAN-AGEMENT a mention by you of a National Profit Clinic for the purpose of discussing as a group ways and means of improving profit in industry.

I would be interested in such a clinic and would arrange to attend if the time could be made suitable.

I believe that every business is finding itself faced with the necessity of using better methods and as the aim of all business is profit, the improved methods are needed to achieve that end.—P. A. Pence, Sales Manager, The Champion Company, Springfield, Ohio.

(In connection with the publication of the sixth and last article of Mr. Knoeppel's series on "Profit Clinic," SALES MANAGEMENT asked readers if they would be interested in a general profit clinic, at which would be discussed some of the matters taken up by Mr. Knoeppel, which have an application to all types of business. Several have expressed interest in such a round table conference. Would you, too, be interested?—The EDITORS.)

#### A Suggestion for SM

Edgar L. Schnadig, vice-president of the Chicago Mail Order Company, suggests that we punch holes in the left-hand margin of SALES MANAGEMENT copies so that he can quickly file tear-sheets in standard ring binders.

He says, "I think I have an idea that may be worth something to you, or, anyway, give SALES MANAGEMENT a different appearance. All you have to do is look at the attached magazine; it puts SALES MANAGEMENT not on a plane of being more 'holey' than other magazines in the field, but offers the definite suggestion that its matter can be and is to be filed. For myself and my organization, I tell you that we rip out a lot of your pages and put them in our swipe file."

(Do you like this idea? Drop a line if it appeals to you, to—The Editors.)

# Human Interest—Magnified 20,000 Times

Board meetings, conferences, prolonged burning of midnight oil! Whack, slam, bang! High pressure methods high-pressured to higher levels! Charts, graphs, market analyses! Economic harangues, long range forecasting! New tools for new business! Better tools! Bigger tools! Pressure!!

What a picture! What bedlam and confusion. What a magnificent theme for some musical genius to use for a Symphonie de Commerce.

Yes—this is the picture we get of modern American business. Hectic, unending pressure. Everything forgotten in the rush for higher levels. No time to be human! Is this impression entirely accurate? We do not think so. We believe that beneath the bedlam American business men harbor a desire to be human. Not only do they harbor such a desire, but they recognize that the "simple things in life," the elementary things in business, are the things that slowly but surely carry business ahead to lasting success. And, may we add, there

is considerable evidence in favor of our

In SALES MANAGEMENT of April 11, 1931, there appeared an article on 'The Human Side of Selling,' by H. K. Dugdale, vice-president of Van Sant, Dugdale & Corner, Inc., Baltimore advertising agency.

This article was not all theory, philosophy. On the contrary it was extremely practical. It gave to sales executives and salesmen a definite check list of twenty points, stepping stones to a better understanding of one's self. That it picked out from a vast audience a goodly number of men who had the desire to be human, and who recognized the value of being human and honest with one's self even in selling, is evidenced by the following history of the article.

Shortly after its publications, correspondence concerning it began to arrive at the offices of SALES MANAGEMENT. They first received eleven requests for 242 copies of the issue in which the article appeared, from such companies as A. G. Spalding & Brothers, R. G. Dun & Company, Rotor Air Tool Company, and Sealright Company, Inc.

Following this, SALES MANAGEMENT received eleven requests for nearly 1,900 reprints of the article, from such companies as California Vineyards Company, Worthington Pump & Machinery Corporation, Automatic Burner Corporation, and Bridge-port Brass Company.

port Brass Company.
At this point, SALES MANAGEMENT saw the necessity of referring this steadily increasing number of requests to the author of the article, with the result that Mr. Dugdale received sixteen requests for nearly 1,200 reprints of the article from such companies as Johns Manville Company, Revere Copper & Brass, Inc., and Graybar Electric Company of Los Angeles. Thereupon, the author thought that perhaps more people would like reprints of the article, and he accordingly sent a letter with a copy of the article to the companies with which his own organization did business or hoped to do business. This letter brought back twenty-four requests for varying quantities of reprints—requests representing a most distinguished group of companies.

So insistent were the requests that Mr. Dugdale decided the most practical thing to do would be to reprint the article in booklet form, which he did. Following this there have been received sixty-nine

orders for booklets. Orders for the booklet "The Human Side of Selling" continue to come to Mr. Dugdale's desk. To date there have been printed five editions of reprints, totaling 5,000, and two editions of the booklet totaling 15,000. All in all, this certainly is concrete evidence that the level-headed business men of America are not disilusioned by the will-o'-the-wisp reward offered by old man High Pressure. It is evidence that business men realize the lasting value of being human in business, of being honest with one's self. And, further (and we are sure the editor of SALES MANAGEMENT will not object to this), it is evidence of the fact that SALES MANAGEMENT is read by men who are serious in their business pursuits and objectives.—
Edgar F. Riebetanz, account manager, Van Sant, Dugdale & Corner, Inc., Baltimore, Maryland.

(No, the editors do not object, Mr. Riebetanz, nor do their next-door neighbors, the business department of SALES MANAGEMENT. We're all agreed that it is a swell example of reader interest.—THE EDITORS.)

Significant Trends

As seen by the editors of Sales Management for the week ending February 13, 1932:

- President Hoover has completed organization of the anti-hoarding drive under direction of Colonel Knox, publisher of the Chicago *Daily News*. Every known device was used to give eclat and publicity to the inauguration of the movement, which it is hoped will at least tend to check the secretion of currency and restore confidence in the banks
- Much is expected also from the Reconstruction Finance Corporation which is now fully ready for business. General Dawes, its manager, is known as a man of deeds enlivened by a sufficient number of pungent phrases to excite useful comment on what he does. The least sanguine observers of this new instrumentality believe that he will not fail to show practical results in a short time. Pennsylvania Railroad's application for a \$5,000,000 a month loan illustrates the sort of problems the general and his associates will have to consider.
- • Walter P. Chrysler, long absent from the ranks of prophecy, has allowed himself the prediction that automobile production this year will exceed that of last year by 10 per cent. He relies partly upon improved business conditions which he expects to follow recent action taken in Washington.
- • More new companies were incorporated at Albany last month—2,357—than in any month during the last two years, excepting only last March. A sign of business activity is seen in these statistics.
- • The actual gain in steel output last month was from 23.58 per cent of capacity in December to 26.54 per cent—not much, but something to start with.
- • American Snuff, following in the wake of the tobacco companies, shows larger earnings in 1931 than in 1930—\$3.81 a share compared with \$3.76.
- • Trade shows few signs of recovery yet, though here and there the reports are favorable. From a good many centers come complaints that price concessions are less productive of sales than they were a few weeks ago.
- • Wholesalers report a distinct reaction among dealers against low-priced articles which are divorced from quality appeal. This is an emphatic new note of real significance.
- • The index number of general business activity dropped to a new low level for the week ended January 30, all factors but cotton production showing small losses from the week before.
- • The average price of commodities dropped again slightly last week, the Irving Fisher index number touching 64.2, compared with 64.5 the week before.
- • Commercial failures, which have been unusually numerous lately, are likely to continue at a lively pace for the next three or four months, according to the National Association of Credit Men. This will be particularly true if business conditions improve and the excuse of bad times is removed.

- • Voluntary chains among hardware dealers were talked about as an imminent development at the recent annual convention of the New York State Hardware Association. A chain of that kind in Canada is said to be doing very well.
- • A bill to tax chain stores was introduced last week in the New York state legislature by a Democratic assemblyman from Brooklyn—\$50 a store for five-store chains, \$1,000 a store for chains with more than five units.
- • The rate of the cost of department store operations went up about 6.6 per cent according to preliminary figures of the Harvard Business School research bureau. The reason was that the readjustments found necessary could not keep pace with the price decline, especially so far as such items as rent, taxes, and personnel were concerned.
- Housing supply shortage is reported in a number of cities by the National Association of Real Estate Boards, using as a basis confidential reports from member boards in 318 cities. The actual figures are: apparent equilibrium, 71 per cent; shortage, 13 per cent, and oversupply, 16 per cent. The first figure is misleading because in many cases two families are now occupying houses built for one.
- • Mortgage money is scarce almost everywhere. In 70 per cent of the cities loan applications are not being met, 22 per cent show a fair balance between demand and supply, and in only 8 per cent is capital seeking investment in mortgages.
- British tariff plans, announced last week, providing for a 10 per cent rate which can be raised to 100 per cent in case of need, have started talk in this country of reciprocal duties. Great Britain, our best customer, took \$455,560,614 worth of our goods last year, which was a third less than in 1931. It is estimated that three-quarters of our exports to Great Britain will be affected by the new tariff.
- • Much interest attaches to the Sugar Institute trial begun this week in the Federal district court of New York. The government charges establishment of non-competitive prices and coercive measures against brokers, jobbers and other wholesalers, and that the institute controls 46 per cent of the cane sugar refined in this country.
- • Dr. Julius Klein, Assistant Secretary of Commerce, is giving his encouragement to the idea that women as consumer buyers can do much for business reconstruction. "We are seeing," he said recently in a public broadcast, "the beginning of the first substantial move on the part of the consumer to make her own inestimably important contribution to the solution of problems that have hitherto been the burden solely of producers and distributors."
- Mail order house sales in January were at a low comparative ebb and the same was true of most chain store systems and department stores.

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# THE Department Store has only in rare cases embraced to an exhaustive degree the opportunity the merchandising of electrical appliances has so far presented to it. Even more important, it is likely to miss entirely a great new opportunity not merely for the increase of volume and profit in this particular department but for a partial solution of the whole store's current vital problem.

To embrace the full opportunity now open to the big downtown merchant, two separate markets must be reached and, therefore, two separate and distinct merchandising programs must be intelligently built, positively adopted, and vigorously executed.

The first market is made up of those people who are now, voluntarily or under the influence of price advertising, coming in to the electric appliance department to buy electric merchandise they know they want. In general, there are today only two agencies employed to turn this type of a prospect into a sale. These are the price advertisement and the salesman on the floor surrounded by so many competing bargains that the prospect is in danger of being unable to decide even which one of the cheapest machines shown she will buy.

# BY L. R. BOULWARE

General Sales Manager, Syracuse Washing Machine Corporation, Syracuse, New York

very glaring bad practices in present

The first of these is the tendency for the display on the floor to show a great prependerance of low-priced machines. I believe that one very low-priced machine is enough because price doesn't mean much in pulling power after the prospect is actually on the floor or in the department, and, because, further, it tends to give the prospect the impression that you think it the thing to do to buy one of the cheap machines. She accepts what is apparently the store's own estimate of the machine she should buy.

The second glaring fault commonly encountered is the lack of selling on the part of the so-called salesman on the floor. I sometimes think our washer salesmen have gotten to be glorified lifters-of-the-lid with the left hand and pointers-at-the-price-tag with the right hand. They are telling the prospect what the machine is and

this, but such a program will bring a much greater volume at a lower sales cost, will bring in an increasing percentage of higher unit sales, will result in a larger measure of satisfaction on the part of the customers of the department, and will put the department more nearly on a profitable basis.

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I do not believe, however, that any department in any big downtown outlet—if it is on a fairly equal basis with its competitors in the community—is going to be able in 1932 to make a profit or to get even a satisfactory volume purely on merchandise advertised at prices which are so compelling as to make the prospective customer put on her hat, come downtown and buy the merchandise. I do not have to tell you that price advertising is progressively losing its pulling power, as it always does under prolonged use.

The reasons for this are many. First, a price advertisement merely precipitates the purchase of an article for which the demand is naturally existent or has been created either by usage or a previous creative selling effort. There is no selling, no changing of the mind involved in making a sale to a customer who enters the department in response to a price advertisement—if she is allowed to buy the item she comes in to purchase. Under this

# Will the Big Retailer's Salvation Be More Profitable Specialties?

A program for properly working those prospects with whom the electrical department is now coming in contact on the floor must comprise at least the intelligent use of the twelve agencies available on washing machines, and the numerous ones which are open on the other appliances. Such programs should be available from the sales promotion departments of the more thorough merchandisers among the manufacturers but the intelligent merchant should adapt them to the particular needs of the establishment in which they are to be used. Time does not permit me to cover here the entire program for washers, for instance, but I must mention three

not what it will do for her. It is the latter that makes the customer want the machine.

The third bad practice is the swamping of the department with one special after another, some of which sell well, some of which sell only fairly well, and some of which flop—the whole operation leaving the department always with a surplus of machines to which the public is unresponsive. Such a surplus of machines must be marked down, and practically a specialty selling effort must be placed on them in order that they may be moved. It is a practice which wipes out any profit that may have been possible from the hot specials and the higher priced merchandise.

A real selling program embodying all the agencies available presents no royal road to success in a time like process the market which has been sold by previous selling effort tends to become used up or exhausted. Also, the prospects who are being brought in by the price advertising prior to their needs for the merchandise are, of course, being sold on a less profitable basis than they would be later when they came in naturally to the

The second reason price advertising is losing its pull is that to be effective it must now contain an element of almost violent comparison. The comparison may be with a previous conception in the prospect's mind of the price she would have had to pay in the past or may have to pay in the future. The comparison may be with a new, low competitive price or value being offered in the same downtown group of stores. The possibilities of wide

From an address made at the February meeting of the National Retail Dry Goods Association.

comparisons are obviously getting constantly fewer as we approach the eventual irreducible minimum of cost or ability to stand a loss.

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Then as to profit. In times like these there is not enough business in units for everyone to maintain the old normal volume of business in units. Also the unit price goes down progressively under the influence of each competitor's trying to offer a price in which there is a real comparative advantage over others. Obviously, if only 75 per cent as many units are sold, at 75 per cent of the former price, business on an item or of a department will be only about 56 per cent of normal and the cost of doing business in the department must almost double in percentage. Naturally, too, the discount available as the price goes down must become shorter and shorter.

In the face of such a situation the possibilities of profit entirely disappear. There is no way of getting around this. It must be met squarely and the best be made of a bad situation by getting the most business possible, keeping in contact with the greatest number of people possible, and minimizing — through intelligent and exhaustive methods

—the *loss* that results from this type of operation. And that procedure must be followed until such time as the demand in an improved market



Photo by Ewing Galloway

The customer must be shown not only what the machine will do, but what that performance will mean in terms of economy, leisure, fashion, pleasure or any other end she desires to attain.

equally evident fact that price—which is a fairly happy solution in the early stages of a depression—becomes an even greater problem in itself as the clothing and shelter requirements are satisfied, must of necessity be utilized, where it exists at all, in a far different way than when there was more of a surplus to spend for more things. The fundamental decision that must be made is to pass from the "me" to the "you" attitude. In other words, we must stop running department stores as such and start searching out a public which we can contact and serve profitably. This new market, so far as the electrical appliance department is concerned, can be found largely within the clientele of the store, although it will prove very profitable to go beyond the present customers of the store since in this case we are not trying to lure them away from another store by price.

When any marketing executive goes to look for a new market, he must search out one which can pay him for his promotional, pioneering, or creative selling time. He must then determine what this market wants, not in merchandise, but in results from the merchandise; that is, whether it is uppermost in their minds that they want to save time and labor, or to economize, or to be in fashion, or to have pleasure, etc. The merchandise to

be sold these people must be interpreted to them in terms of these ruling considerations.

That is, it is not enough to demon-

# -and Fewer Cut-Price Staples

catches up with the potential supply represented by manufacturers who are willing to produce goods at a loss as long as they can stay in business, and by downtown stores who, just as naturally, are willing to render service at a loss in order to maintain their clientele against the return of better times.

There is, however, hope for the alert department manager or general executive who is willing to subscribe first to the axiom that in bad times you can't succeed with the same old product at the same old price, offered in the same old way by the same old salesmen in the same number of instances and with the same degree of vigor. He must subscribe also to the

depressed condition progresses.

This hope has its basis in the present opportunity for the creation of a new market of potential customers who do not now know they want the particular electrical merchandise under consideration, but who can be made profitably to want it.

The fundamental decision as to whether or not a department store can engage in specialty selling must influence any marketing executive when he loses one market, or loses one part of a market, and must find another to replace it. We must face the fact that an enormous portion of the buying power of the clientele of our businesses has evaporated and that the reduced residue left after basic food,

strate what the merchandise itself will do, but it is necessary to show how those things the merchandise will do fit in to the serving of the ends just mentioned. Then, the marketing man must determine what will be profitable to sell to these people. Obviously, where he must go out and create his market, he can not sell profitably to it the same low-priced merchandise which he may be forced to sell under a competitive condition to people who know they want the merchandise. He must have extra function merchandise that will justify a higher price. Yet the cost must not be as much greater than the cost of the staple merchandise as is the selling price of such

# Make Your Convention Pay!

#### BY STRICKLAND GILLILAN

THE opening season for conventions is on. I don't suppose there is a business executive in the country who has not been invited to attend one or more of said conventions to be held during the next few months. Many millions of dollars will be spent in carrying delegates to and from the meetings. No figures are available, but I am sure that the amount of money invested both directly and indirectly every year in our great American institutional movement for more and better conventions reaches a staggering total.

When I try to remember the incidents of the many conventions I have attended I wonder if a very appreciable amount of this investment pays. I am inclined to think that a very great—if not the greater—part of it is a total loss. That is depressing, for, from what I have learned, I am convinced that a convention of an industry, a trade, a locality or a sales force can be made one of the most valuable achievements in business.

Of course, my experience at conventions has been largely concerned with providing entertainment at the final banquet. I have been, as it were, a rank outsider with an invitation that is a debit burden, given in the hope that I will say something that will cheer up the wearied delegates and members, and send them back home smiling. Mine has been the most difficult job of all-sometimes even an impossible one. But I have kept my eyes and ears open, and I have listened to several thousand speeches in my time. I have listened with all of the aggravated attention of one who, thinking he has something to say, hungers for an opportunity to say it and have it over with. I have colHumorist, journalist and experienced convention-goer.



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lected some observations on conventions that I think will be of value to those who are promoting, managing, going to, making speeches at and listening to the programs of conventions. I just couldn't help learning—that is the only reason anybody ever learns anything.

In the first place, the average convention attempts to accomplish too much. One important accomplishment is enough. Every man or woman who attends a convention should be compelled to get something of value out of it, unless he or she is unconscious throughout all sessions. And unconsciousness has been achieved by some delegates I've seen.

In most instances there are too many men on convention committees who do not know they are on. The world is full of committeemen who do not know they are committeemen. Most of them were appointed because the management did not want to slight them. They are usually prominent members of the industry, and their names are well known; but they toil not, neither do they spin—on committees. They like the publicity and they hate to be left off of committees almost as much as they hate to do anything after they are appointed. In brief, the average committee carries too many spares.

A convention committee, like any other executive organization, should be composed of men who know their stuff—men qualified not only

#### Meet the Speaker of Many Evenings

As an after-dinner speaker and humorous lecturer, Strickland Gillilan has addressed nearly a thousand conventions of various kinds. His biography has appeared in all American and international "Who's Who's" since 1904, and is featured in the "National Cyclopedia of American Biography." Since he wrote that Irish classic which contains "Off agin, on agin, gone agin—Finnegin," many years ago, he has been the target of requests to "get up and say it—gwan." And he has acted on the suggestion so often that he has become one of the leading humorous speakers of his time. He has written a great many newspaper and magazine articles, besides several books, and says that he has come through enough tribulation of the kind to have had burned into his sensitive soul the essentials of how to run a convention profitably. In this article he tells of what he has learned about the subject.

with the necessary knowledge but with energy and intelligence enough to apply it to the committee work. And the most important committee is the program committee which, among a great many other things, should always consider the following facts:

A convention should be a definite unity. It should cover just one important subject. Everything accomplished should blend with everything else, and each day's performance, including the final banquet, should intensify the purpose, the subject of the

convention. Every word spoken should add something to a definite and final impression—the cumulated message the convention is intended to impress

upon its attendants.

Logically, then, speakers should not be invited or employed unless the management knows what they are going to talk about, and no speech should take longer than half an hour. If a man, talking to a group of men in his industry, a group which understands his language, cannot deliver what he has to say in thirty minutes, he could not get it out of his system in a week. Even fifteen minutes is a better limit of time.

#### Final Banquet and Final Speech

It is amazing what can be accomplished in cutting down a speech by a skilful editor. Many a time I have listened to some pertinent and valuable ideas which were so buried in a welter of words as to be unintelligible.

Take such a speech, go over it carefully, cut out all the flowers and most of the vegetables, eliminate the adjectives, cut the long sentence vines down to stubbs, and nine times out of ten you will have a vivid, impressive statement that is of value. That is the only kind of a statement that should be allowed expression at a convention.

The final banquet should be a recapitulation of the convention, a mordant for the message, an unlabeled and impressive review of the highlights. The key speaker, if he has not attended the sessions, should be informed of the purpose of all meetings and just about what the principal speakers have said, otherwise he may

make some bad breaks.

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Once, I remember, a certain Congressman who had the reputation for expressing his ideas entertainingly was called in as a pinch-hitter at the wool dealers' banquet I attended. I have forgotten the circumstances, but I do remember that the tariff came in for an awful panning throughout all of the session and at its climax the good Congressman got up and delivered an oration favoring "Schedule K."

This sort of thing nullifies a lot of the good effect of any meeting. It fills the works with monkey-wrenches. It should and can be prevented by merely button-holing the key or entertaining speaker and pouring into his ear a brief outline of what has gone before.

He should harmonize. Now as to the humorous or entertaining speaker. One or more of his tribe is on nearly every banquet program. If he is merely an entertainer the convention has made an unprofitable investment, because humor is undoubtedly the most effective transportation factor for valuable ideas. Tell a good humorous story to illustrate a point and your audience will repeat the story many times to make the same point. They will always do this because the fact that the humorous story illustrated makes the story more at-

Humor, therefore, is really a searchlight, and it should be thrown by the speaker over the whole purpose of the convention. It should tie in with the It should be the Lincolnian type of humor. The type that clarifies and illustrates, and that issues a final

and lasting impression.

There is many a business fact that can be put over best by the use of humor. The human mind hates to get out of its ruts. I don't care whether you have gathered together a group of economists, a large lot of assorted farmers, a convention of business men or a meeting of district salesmen. They all love to go about their work in the old, familiar way, and few of them utilize the facts and information they have already acquired. Why get new knowledge till the old is working? They are like the farmer who was being solicited by a magazine salesman, who assured him that the publication would teach him how to farm better and more profitably.

"Hell," the farmer replied, "I don't farm half as good as I know now.'

#### Prosperity's Road Back

Mark Twain, you will remember, once remarked that we learn something from every experience, but that hardly ever do we learn the specific fact which that specific experience was intended to teach us. He said that he once had a cat that sat on a hot stove. What the cat should have learned was not to sit on hot stoves; but that wasn't what he learned. Mark Twain's cat learned not to sit on any stove.

We are all pretting much like that cat, and I think the main purpose of the convention should be to inform its attendants as to what kind of stoves they should not sit on and the kind that they can sit on comfortably and profitably. It is all in knowing how

to get this message over.

This winter the prevailing depression will be mentioned more frequently than anything else during all of the scheduled conventions. But I am afraid that all attendants will have their eyes glued to the knot-hole in the fence through which they saw prosperity disappear. They will be trying to see just where it went, and there will be millions of empty words expended in futile theories as to ways and means of luring it back.

But prosperity is not coming back the way it went. Neither will it be the same prosperity. The seeds of the new prosperity are all around us. They must be found, planted and cultivated; and conventions can be used in this work better than any other form of organization.

The fact is that while a lot of conventions are bending over at the knothole in the fence, the new prosperity will slip up on us unaware and wham us. The negligible item in the old prosperity may be the big shot in the

Our late prosperity was based on waste and extravagance. And about the new prosperity we know at least one fact: It will grow from a reversal of the basis of the other-back to Ben Franklin and Poor Richard!

#### A Recipe for Success

Recently a celebrated sales manager complained to me that it seemed impossible to teach his men to use what they know. Out of a group of fifty of his salesmen, all of whom had had the same training and practically the same general education, only two or three were exceptionally successful. My friend's proposition was to teach the great majority to do their work the way the small minority did it, to get the others to give their individual interpretations to the same principles. It is a difficult job, but he is gradually making headway. In time he will have the majority working as successfully as his two or three star men.

This seems to me to be a real proposition for every convention this winter. In every industry there are individual firms which are making profitable headway despite the handicap of depression. There are a few who know how to get the business, and I am sure the depression will be over when the majority in every industry are conversant with a few basic facts that the small minority are now utilizing. Stubbornness must go into discard. It is just a matter of discussing these facts until they are understood, and then bullying and nagging the majority until they put the facts to work. The subject of every convention this win-ter should be, "How to Use What We

Know."

That knowledge is power is the biggest lie ever lied. A man might possess all the knowledge in the world and not be worth a tinker's expletive as a business man. It isn't the knowledge you have, it is the knowledge you use. The world is not suffering solely from a lack of knowledge; but it sorely lacks not only sufficient information but the energy to apply what it already knows.



An unimposing store in a depression - ridden town—but first prize winner in a national contest!

HE recently completed "Brighten Up" contest conducted by the General Electric Company among its more than 15,000 distributing and retail agents for Edison Mazda Lamps demonstrates that even in hard times business is largely what one makes it.

The reports of the 254 agents who, following the sifting process, were finally considered for the prize awards, showed total sales of \$294,279.12 for the contest period which extended over the months of September, October and November. Sales for the same agents during the corresponding period of 1930 were \$170,307.13, representing a 1931 increase of 72.9 per cent. Yet 1930 was the better lamp year, from the standpoint of comparative total yearly lamp sales.

The first grand prize of the contest, a Graham Blue Streak automobile, went to Herbert H. Vierck, of W. J. Vierck & Son, a small hardware store located in Rockford, Illinois. According to Babson's, Rockford has been the hardest hit by the depression—with the exception of one—of all the cities of the middle west.

Through intensive store sales activity, window dis-

# "Business Is What You Make It," Says General Electric

A 72.9 per cent increase in Edison Mazda Lamp sales for the last quarter of 1931 resulted from a special "Brighten Up" contest in which more than 15,000 dealers took part. One little hardware store in Rockford, Illinois, alone sold \$7,144 worth of lamps! General Electric's experience is just one more proof that there's plenty of business for the man who goes after it. Their campaign plan is outlined here.

W. J. Vierck (left), Herbert H. Vierck (right) and Evelyn Bonney (center)—fighting sales crew of the winning store.

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play, newspaper advertising and a schoolboy house-to-house selling campaign, Mr. Vierck sold a total of \$7,144.36 worth of lamps during the three-month period of the contest, as against \$2,508.54 worth during the same period in 1930.

same period in 1930. The "Brighten Up" contest, the latest of a series of such lamp sales activities, was so designed as to leave no loopholes in the coordination of effort between all the selling agencies involved. Besides reasonable quotas as a goal to reach, and attractive prizes as an incentive to reach that goal, the entire distribution structure of Edison Mazda lamps, from the General Electric field man, through the jobber's salesman and to the retail agent, was provided an array of sales ideas and merchandising assistance the like of which the company had never before provided and which was made possi-ble only by five years' successful experience in semiannual lamp sales activities.

The "Brighten Up" activity consisted of three main working sections which, while independent in individual operation, dovetailed into the campaign to form a smoothly functioning program:

1. Coordination between

General Electric and the retail agent.
2. Coordination between the jobber and retail agent.

3. Coordination between General Electric and the jobber salesman.

In the first section of activity, that involving direct tie-up between the General Electric Company and the retail agent, there were offered three grand prizes—to be spread over the entire retail agent group—and, in addition, one "Brighten Up" prize for some one retail agent on every jobber's books. Thus, nearly 190 "Brighten Up" prizes were awarded.

Up" prizes were awarded.
The grand prizes consisted of:

First prize: A Panama - Pacific Steamship line trip for two persons, or a Graham automobile. The trip offered consisted of carrying the winner by rail to California, then by boat through the Panama Canal to Havana and New York, and back home by rail. It included a few days' stop-over in either California or New York City.

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Second prize: A trip to the West Indies or to Honolulu for one, or a new Floating Power Plymouth sedan. If the second prize winner was located east of the Mississippi he would obtain the West Indies trip; if located west of the Mississippi, the Honolulu trip. If he lived in the east and wished the

Honolulu trip, he could have it by paying his own fare as far as the Mississippi River. A similar arrangement applied to the winner living west of the Mississippi who wished to take the eastern trip.

Third prize: One hundred dollars, cash.

The "Brighten Up" prizes, one for an agent of each jobber, were merchandise prizes valued at between \$10 and \$15 each. The basis of award was:

1. Evidence of merchandising ability. This included such incidental factors as sales talks to retail purchasers, use of the "Remind-'em-to-buy" buttons which were to be worn on coat lapels; newspaper advertising, store and window display; new merchandising ideas, and presentation of evidence - giving photographs.

2. Percentage increase in sales over the corresponding period of 1930 (September 1 to December 1).

Method of award was as follows:

Using retail agents' sales figures as a guide, jobbers reported to their district office of General Electric, on a specially designed report form, the names of three agents, giving results of each and grading them first, second and third choice, indicating which they recom-mended for the "Brighten Up" prizes. Out of all the reports sent in by the jobbers served by that district, the district office narrowed the reports down to three, for submission to the judges at Nela Park. Thus, from the eleven lamp district offices of the General Electric Company came thirty-three reports. From these the three grand prize winners were selected. If a jobber's first choice for a "Brighten Up" prize won one of the grand prizes then his second choice was to be awarded the "Brighten Up" prize.

In the second section of the activity, that involving direct tie-up between the jobber and his agents, the campaign plan recommended that, for the purpose of further stimulating agents' enthusiasm and participation in the "Brighten Up" activity, the jobber conduct a prize contest of his own, on a quota point score basis. These prizes, the plan provided, need not be large, but might be simply of such value as

would induce every agent to compete.

Three types of activity were recommended for such localized jobber's contests:

1. A point award activity. Qualifications for a prize would depend upon a minimum sales increase of not less than \$30.00 over the same period during 1930. For this minimum increase, 600 points were to be scored, the winner to receive a \$3.00 prize. For every dollar list sale above this increase, ten additional points might be scored and five cents extra in prize money awarded.

2. One prize to all agents meeting quota. This activity required simply the setting of quotas, and the awarding of prizes of equal value to all agents who met their quotas. Suggested prizes were fountain pens, watches, or cash.

3. Leadership prize activity. This required the setting of quotas and the awarding of prizes to the three or four agents who ended the campaign with the highest percentage of quota.

The third section of activity, that involving direct tie-up between General Electric and jobbers' salesmen, offered a special incentive for jobbers to conduct their own local prize activity, and provided a substantial induce-

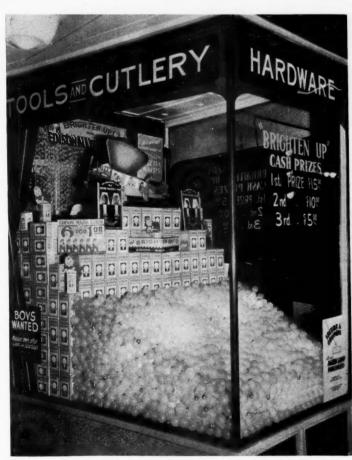
ment for the salesmen of such jobbers to cooperate with the agents they serve and assist them in doing a good merchandising job during the activity. For such, three grand prizes were offered, identical with those offered to the agent group by the General Electric Company. In addition, the same series of "Brighten Up" prizes to be awarded to agents applied also to these jobbers' salesmen.

Eligibility rules governing the jobber salesmen's contest were, in

general:

1. Evidence of merchandising assistance. This included such elements as letters written to agents urging their participation in the campaign, merchandising suggestions, assistance in trimming windows and even actual selling for the agent to show him how best to merchandise lamps.

2. Meeting his quota, which is the sum of his (Cont. on page 235)

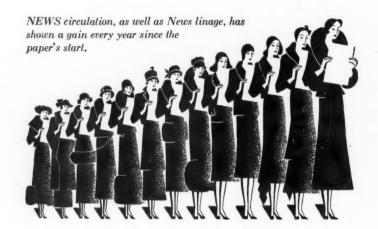


This window display sold \$2,924 worth of Mazda lamps to 1,877 customers. It remained five weeks, with weekly changes of background.

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# ADVERTISING LINAGE AND RANK

1922		1923		1924		1925		1926	
Times	24,142,222	Times	24,101,226	Times	26,283,924	Times	28,200,444	Times	29,788,828
M. World	17,244,090	M. World	17,370,838	M. World	16,858,354	M. World	17,237,062	H. Trib.	18,785,853
Eagle	15,382,124	Eagle	15,783,676	Eagle	16,659,944	Eagle	16,718,464	Eagle	17,899,284
Herald	11,947,256	Journal	13,011,766	American	14,906,698	H. Trib.	16,525,824	M. World	17,658,831
Journal	11,789,500	American	12,997,964	Journal	14,561,374	Journal	15,057,218	Sun	16,245,237
American	11,211,662	Herald	11,067,210	H. Trib.	13,306,960	Sun	14,705,916	Journal	14,758,009
Sun	9,620,816	Sun	10,689,292	Sun	13,268,308	American	14,183,094	American	13,112,851
Tribune	9,396,416	Tribune	9,590,400	Telegram	8,805,720	E. World	8,921,428	E. World	9,842,432
E. World	8,673,406	E. World	8,258,736	E. World	7,928,134	NEWS	6,832,472	NEWS	7,881,770
St. Union	7,785,230	St. Union	7,481,310	St. Union	7,275,066	Telegram	6,655,486	Bk. Times	6,982,716
Globe	7,306,734	Telegram	7,035,650	NEWS	5,850,580	St. Union	6,365,280	Telegram	5,803,533
Telegram	6,862,302	Mail	6,568,024	Bk. Times	4,696,516	Bk. Times	5,255,662	St. Union	5,611,732
Mail	5,938,340	NEWS	4,392,034	Post	4,434,416	Post	5,059,968	Post	5,181,281
Post	3,878,688	Bk. Times	s 4,136,330	Herald	2,355,910	Mirror	3,926,302	Mirror	3,699,719
Bk. Times	3,474,612	Post	4,135,756	Mirror	1,875,438	Graphic	2,186,676	Graphi:	3,699,155
NEWS	3,348,350	Globe	3,825,302	E Bull.	1,173,542				

13, 1932

RETRENCHMENT ERA—for advertising as well as general business! Yet in 1931, in a cloud of minus signs, passed dividends, pared profits, shorn sales, limited lists and shrunken appropriations, with newspaper expenditures and linage down—The News gained 1,900,000 lines. Most of this gain was retail, coming from actual results, day to day sales of merchandise . . . . After all, there is little reason why The News should not pay—and gain—in these times. The small page gives advertising a better break, more visibility and attention. The very low milline permits advertising to get business at a profit. And the huge circulation, comprising two-thirds of New York City families—includes a majority of all the current active buying power in this market! Grow with a medium that grows in these times!

#### **NEW YORK NEWSPAPERS—1922 to 1931**

1927		1928		1929		1930		1931	
Times	29,710,606	Times	30,641,930	Times	32,378,135	Times	26,624,102	Times	24,402,912;
H. Trib.	19,133,684	H. Trib.	19,639,113	H. Trib.	21,011,146	H. Trib.	17,524,038	H. Trib.	16,349,003.
Eagle	17,282,915	Eagle	18,587,608	Sun	18,156,668	Sun	15,896,856	Sun	15,495,357
Sun	16,525,102	Sun	16,608,149	Eagle	17,907,985	Eagle	15,877,551	NEWS	15,135,308
M. World	15,488,876	M. World	14,139,141	Journal	14,545,021	Journal	13,366,656	Eagle	15,125,270
Journal	14,001,546	Journal	14,039,215	M. World	13,650,242	NEWS	13,209,975	American	13,796,398
American	12,680,116	American	12,436,180	NEWS	12,314,661	American	10,794,477	Journal	13,491,736
E. World	9,891,749	NEWS	10,432,709	American	12,312,864	M. World	10,627,224	WTele.	12,989,265
NEWS	9,311,191	E. World	9,940,209	E. World	10,279,839	E. World	9,345,790	Bk. Times	6,159,799
Bk. Times	6,087,186	Telegram	5,805,083	Post	6,193,460	Telegram	5,830,406	Post	3,834,591
Telegram	6,063,903	Bk. Times	5,565,738	Telegram	5,938,826	Bk. Times	5,209,529	Mirror	3,203,341
Post	5,505,890	Post	5,551,377	Bk. Times	5,634,580	Post	4,655,837	St. Union	3,054,782
St. Union	5,460,790	St. Union	4,955,951	St. Union	4,722,010	St. Union	3,385,871	Graphic	2,770,191
Graphic	3,287,544	Graphic	3,082,829	Graphic	3,960,618	Graphic	3,344,327		
Mirror	3,138,857	Mirror	2,013,013	Mirror	2,617,984	Mirror	2,644,755		
						SOURCE	S: New York	Evening Post	through 1997

SOURCES: New York Evening Post through 1927, Media Records, Inc., from 1928 on.

# THE IN NEWS

NEW YORK'S PICTURE NEWSPAPER

220 EAST FORTY-SECOND STREET, NEW YORK
Tribune Tower, Chicago 

Kohl Building, San Francisco

# What Do Income Groups Buy? "Time," at Appleton, Finds Answer

NEW YORK—Time has come back from Appleton, Wisconsin, with some revealing answers to 151 questions on what the 6,000-odd families of Appleton buy in the way of automobiles, refrigerators, housing, electrical appliances, radios, sporting goods, groceries, bathroom products and travel; where, and how often.

Appleton, with 25,267 population, a diversity of wholesale and retail trade, dairying and farming and manufacturing, was found to be a bit better than typically prosperous. If it has no slums, it has no Peacock Alley. Some 204 miles north of Chicago and 100 miles northwest of Milwaukee, it is an independent market. Statistically and geographically, it approaches a "normal" city. And, in addition, the Wisconsin income tax law made possible a "quicker, more reliable method than has ever been used before."

The city has 4,444 families with incomes of less than \$2,000; 978 with incomes between \$2,000 and \$3,000; 438 between \$3,000 and \$5,000; 220 between \$5,000 and \$10,000, and 119 over \$10,000. *Time* interviewed, on the average, one family in every six. Among other things *Time* found that

Among other things, *Time* found that the over-\$5,000 family uses twice as much soap, replaces radios 50 per cent faster, buys 80 per cent more coffee, 70 per cent more canned fruit, spends twice as much on electric refrigerators, uses seven times as many electric ironing machines, buys twice as many automobiles, as the less-than-\$5,000.

The number of car owners per thousand families in the under-\$2,000 group was found to be 521; \$2,000-\$3,000, 815; \$3,000-\$5,000, 914; \$5,000-\$10,000, 956, and \$10,000 and over, 1,000. The number of cars per family varies from one-half (526 of 1,000) in the under-\$2,000 group to one and one-half (1,504 of 1,000) in the over-\$10,000. The automobile phase of the study is broken down into new and used cars bought in each income group; average gross car sales, sales of cars in various price classifications, mileage, length of service and turnover and replacements for each income group.

Appleton averages better than the nation as a whole in ownership of automatic refrigerators—15.5 per cent of its families having them. In the under-\$2,000 group there are 55 refrigerators per thousand families; \$2,000-\$3,000, 123; \$3,000-\$5,000, 187; \$5,000-\$10,000, 236, and over-\$10,000, 302. The dollar volume of

refrigerators sold to these families is even higher in the upper brackets—the volume for each of the five groups being \$13,621, \$29,919, \$47,850, \$68,031, \$103,564. The upper-bracket families favor refrigerators costing more than \$300.

Ownership of radios among Appleton's families ranges from 668 per 1,000 in the under-\$2,000 group to 986 in the more-than-\$10,000. The figure leaps up sharply to 912 in the \$2,000-\$3,000 group, drops to 900 in the \$3,000-\$5,000, and goes up again to 935 in the \$5,000-\$10,000. Radio set replacements were more than three times as numerous (per 1,000 families) in the top as in the bottom.

What do "poor" and "rich" people of Appleton eat? The under-\$5,000 people eat nearly twice as many beans per capita as the over-\$5,000-1,988 cans per month per thousand families, as against 1,043. The under-\$5,000's also use about 20 per cent more baking powder, but the over-\$5,000's drink three times as much beverage (ginger ales, mineral waters, grape juice, etc.). Poor and rich like crackers about equally well (3,647 boxes per month per thousand families, as against 3,433). The under-\$5,000's, however, are more partial to local cracker brands. The poor eat more bread, the rich more breakfast foods; the rich more canned fish and butter, but the poor more cakes (not including home-made). The rich are especially partial to canned fruits, and slightly more so to canned soups and vegetables. The poor use more catsup, the rich more cheese; the poor more cocoa, the rich more coffee. Per family consumption of sugar, syrups and tea slightly favors the rich, but the poor like more vinegar.

Which leads us to the bathroom. The rich lead in all the soap price-classifications, use twice as many straight razors and slightly more safety razors. Shaving tubes are twice as popular as sticks, with the rich using more of both. The over-\$5,000's consume 50 per cent more toothpaste, twice as much tooth powder, 25 per cent more toothbrushes and mouth washes.

The rich ladies are stronger for powders, cold creams, perfumes and deodorants and depilatories, but the poor have more toilet water.

The over-\$10,000 do ten times as much traveling per family as the under-\$2,000's. Twice as many go east as go west. Only a handful, even of the rich, go to Europe.



Traver Smith

#### Standard Brands Names Smith Vice-President

NEW YORK—Traver Smith, an apprentice in the shipping department of the Fleischmann Company in 1919, later Fleischmann sales promotion man and advertising manager and more recently in charge of Chase & Sanborn coffee and tea products, has just been elected vice-president of Standard Brands, Inc., of which Chase & Sanborn, Fleischmann and Royal Baking Powder are units.

Thirty-four years old, Mr. Smith has been largely responsible for the nation-wide development of Chase & Sanborn's dated coffee.

# \$6,000,000 in Promotion for GE Refrigerators

CLEVELAND—Six million dollars will be spent in advertising this year by the Refrigeration Department of General Electric Company and its dealers, W. J. Daily, sales promotion manager of the department, told this magazine this week.

The expenditure, which will be about the same as that in 1931, will be divided one-sixth for magazines, onethird for newspapers, one-third for direct mail, one-twelfth for posting and one-twelfth for miscellaneous sales promotion.

#### Correction

The Director of the Census has notified SALES MANAGEMENT of a mistake in the bureau's tabulation of retail sales in small cities and rural areas. See page 196, SM for February 6. The correct figure for Ohio is \$836,460,000.

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# We Need More Secondand Third-Wind Men

OME years ago I had the opportunity of watching a truly great lawyer in action. It was an important trial—a large business was at stake—and this white-haired advocate was in the case heart and soul to win.

It seemed as if the string of witnesses would never end. sessions were long, very long. When night came everybody was exhausted, including the judge on the bench. My attorney friendaged sixty and more, at it all day in his shirt sleeves, working harder than any of us-would go back to our hotel at night, call a conference of all hands, review what had gone on during the day, plan his campaign for the next day, make perhaps a dozen telephone calls, send a handful of telegrams, phone his partner and get a report of the day's activities in his own office, take a drink, sing an Irish ditty or two and get off to bed around 1 or 2 a.m., arising at 7:30 in the morning fresher than the youngest blade there.

When I asked him, in amazement, how he did it, he replied: 'Years ago I learned that at the point where I seemed to be so tired I couldn't go on another minute, I would always get my second wind. Then I began to push myself through that second wind—and I found I had a third. For years I have been able to go on through the second, third and even fourth wind, if need be. I always know there are three distinct comebacks possible for me after I feel the first fatigue that tempts me to quit."



Wide World Photo

Sales successes—the really tough prospects—are long-distance races against heavy odds. You'll need four winds sometimes to land them. But they're worth the struggle and the effort, and you'll win if you keep going.

Consider Paavo Nurmi, the Finn. He seemed to cover the miles easily. Only he knew how much fight he had to put up sometimes to keep going.

If Nurmi had quit with the first stitch in his side, he'd never have gained a world-wide fame. If Nurmi had yielded to the first fatigue he'd never have been a runner at all.

No man ever became a great salesman who could not muster his tired forces together and drive on, again and again.

You can lick a one-wind salesman.

You can worry a two-wind man and make him squirm and fidget a little in a pinch. But you can't lick him, for he will hang on until the bacon is landed and on the way home.

But the third-wind man—you can neither whip him, worry him nor cause him to waver from the path of duty. He has a case-hardened hold on results—and you can't shake him off until he has gotten what he went after!

How many winds have you?

BY BURTON BIGELOW

FEBRU



Wide World Photo

Col. Frank Knox

#### Hills Brothers Effect Stop Price on Coffee; Other Roasters Join

SAN FRANCISCO-Hills Brothers, San Francisco, Red Can coffee, has become the first California food manufacturer to name a stop price on its product. The policy covers the entire Hills Brothers territory as far east as Chicago. At present the list price is 36 cents for the 1's, 35 cents per pound for the 2's.

It is reported that the only measure Hills Brothers will take against dealers who continue to market its products at less than this price will be to cease selling to them.

The California Retail Grocers' and Merchants' Association, including in its membership the majority of the independent grocers of the state, has assured Hills Brothers of cooperation. The movement is gathering momentum in California. The latest advice is that Standard Brands of California will maintain a stop price on its Chase & Sanborn coffee. The M. J. B. Company has already taken like action for its M. J. B. coffee.

The California Legislature passed last summer a resale price maintenance

#### Simmons Ends Price Fixing

WASHINGTON-Simmons Company, New York, maker of mattresses and springs, has signed a stipulation with the Federal Trade Commission to abandon methods of resale price maintenance. The company has agreed to stop "threatening to refuse to sell to dealers who fail to cooperate or who sell to other dealers who do not observe the suggested retail prices". serve the suggested retail prices.'

#### Knox of Chicago News Directs Nation-wide Spending Campaign

WASHINGTON-Colonel Frank Knox, publisher of the Chicago Daily News, and formerly general manager of the Hearst Newspapers, has been appointed by President Hoover as chairman of the national organization to direct the campaign against hoarding, which, it is estimated, would restore more than \$1,300,000,000 to produc-

tive channels.

Various advertising and publishing groups were represented at a meeting with Mr. Hoover here last week in the interests of the program—among them Lee H. Bristol of the Association of National Advertisers; Arthur Pearson of the National Publishers' Association, Gilbert T. Hodges, Advertising Association of America, and Warren Platt of the Associated Business Papers. The American Legion, under the direction of Henry L. Stevens, Jr., national commander, also will partici-Commander Stevens was to make an address over a nation-wide radio hookup February 11.

Both broadcasting systems will contribute time to the drive. Four hundred and twenty magazines and 800 newspapers already have agreed to help, as

will 1,200 poster men.



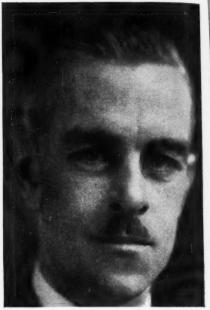
BOSTON-New England Merchandisers, Inc., has been organized with headquarters at the North Station Industrial Building, Boston, to provide sales representation in the New England territory, on a fee basis, for national manufacturers in the drug, grocery and candy fields.

J. S. Dowd, formerly merchandising director, is head of the organization, which will have a staff of twenty-five resident salesmen, calling twelve times a year on New England drug and grocery retailers, and weekly on jobbers and chain store buyers, will provide counsel in merchandising, product research, and direct advertising in conjunction with the Eastern Advertising Company.

Products already being handled, Mr. Dowd told this magazine, include Kolynos dental cream, Hubbard's germicide, Pertussin and Actin.

#### Denies Auburn-Willys Union

AUBURN, IND.—E. L. Cord, president of Cord Corporation and the Auburn Automobile Company, denied this week a report that Auburn would acquire control of the Willys-Overland Company.



John S. Norton

#### Norton Will Direct Sales for Lambert Pharmacal

BINGHAMTON-J. S. Norton has resigned as vice-president of Agfa Ansco Corporation to become vice-president in charge of sales of Lambert Pharmacal Company (Listerine), St. Louis. He is succeeded here by George D. Prigmore, western sales manager of Agfa Ansco for the last three years. Entering the advertising agency business in New York in 1916, Mr. Norton became associated with Horace W. Davis. Ten years ago, when Mr. Davis became president of this corporation, Mr. Norton joined the company as a sales executive—becoming vice-president when Ansco and Agfa merged. Mr. Prigmore at one time owned a chain of retail drug stores in the northwest and then became an executive with Blumauer-Frank Drug Company, Portland, Oregon.

US Withholds Approval of Coal Sales Agency

CINCINNATI—The Department of Justice has informed the sponsors of the regional sales agency of the bituminous coal industry, to be known as Appalachian Coals, Inc., that it cannot yet approve the organization plan. The Department will inquire further into its possible violation of anti-trust

The information was received in exchange of telegrams and long-distance telephone messages between Edgar L. Greever, of New York, attorney for the coal companies, and John Lord O'Brien, of Washington, assistant attorney general. The coal companies decided to file a friendly suit at once to test the legality of the corporation. 3, 1932

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Bernard Lichtenberg

#### Lichtenberg, Studying Distribution Reforms, Joins Amos Parrish

NEW YORK—Some three years ago Bernard Lichtenberg applied at a chain drug store for a very special kind of clinical thermometer. The clerk had never heard of that kind of clinical thermometer. The manager made no effort to get it for him. The store lost a customer.

To do his bit to "give the customer what he wants, instead of trying to sell him what you have been in the habit of producing or distributing," Mr. Lichtenberg has become associate director of Amos Parrish & Company, nation-wide retail counselor service. He continues as vice-president in charge of advertising and head of the Bureau of Business Conditions of the Alexander Hamilton Institute, and as chairman of the board of the Association of National Advertisers.

"Although I have felt for some time that distribution has benefited by the introduction of vastly improved techniques," he said, in announcing his new connection, "there is room for progress in retail merchandising."

#### ANA Adds Two

NEW YORK—Canada Dry Ginger Ale, Inc., and Radio Corporation of America, both of New York, have become members of the Association of National Advertisers—Canada Dry being represented there by C. L. Landon, vice-president and director of advertising, and RCA by Glenn I. Tucker, manager of public relations.

#### Dry Goods Men Score Price Maintenance and Sales Taxes

NEW YORK—Believing that the Capper-Kelly resale price maintenance bill is "distinctly contrary to the interests of the consumer"; that it would "impose serious restrictions on the operation of our mercantile institutions," and would "destroy the spirit of free and open competition," the National Retail Dry Goods Association in convention at New York last week reaffirmed its "position" in regard to such legislation and "condemned the enactment of the present measures now pending in the Congress."

The association also adopted a code on advertising and selling practices—specifically against misleading advertising, unfair competition, disparagement of competitors, "bait" offers, and deceptive statements accompanying cut prices.

It urged Congress to increase taxes on inheritances and on incomes in the higher brackets, and to restore gift taxes, but "vigorously opposed any form of general retail sales tax, turnover tax, or so-called luxury taxes."

#### American Fair Expects 1,200,000 Attendance

ATLANTIC CITY—The third American Fair will be held at the Atlantic City Auditorium July 16-August 28, Lincoln G. Dickey, general manager of the Auditorium, announced this week. Mr. Dickey expects 1,200,000 visitors to the Fair from all parts of the United States and from foreign countries. Attendance at the first fair in 1929 was 1,128,759, and at the second, last year, 1,168,725.

Among manufacturers who will exhibit are several subsidiaries of Chrysler Corporation, Frigidaire Corporation, General Electric Company, Hoffman Beverage Company, and Singer Sewing Machine Company. Economic enterprises represented include machinery and small tools, food products, electrical appliances, transportation.

#### N. Y. Marketers to Meet

NEW YORK—Marketing problems as related to business recovery will be analyzed by Dr. Daniel Starch, of Daniel Starch & Associates, Inc., as chairman of one of the committees which will report to the monthly dinner meeting of the New York Chapter of the new American Marketing Society at the McGraw-Hill building, February 18. Chester Haring of Batten, Barton, Durstine & Osborn will describe the work of his committee on coordination of marketing factors. R. A. Balzari of McGraw-Hill is chairman of the chapter, Mr. Haring, secretary-treasure.

#### Bird Gets Out Broadside on Roofs and Olympics

EAST WALPOLE, MASS.—Though the Winter Olympic Games, now being held at Lake Placid, are singularly an out-of-doors affair, Bird & Son, Inc., here, is capitalizing on them to sell roofing materials. The bobsled sheds at Lake Placid, it seems, are covered with Bird custom-built shingles.

A broadside, prepared by E. R. Clark, sales promotion manager, and sent to a list of 35,000 in the trade, depicts various thrills in the competitions on skates, skis and bob-sleds—with a 200-word sales talk on the reverse side on the advantages of Bird roofs.

# Will Employ Cane Fibre in Building Insulation

SAN FRANCISCO—Canec, a cane fibre for structural insulation, has just been introduced by the Hawaiian Cane Products, Ltd. A factory has just been completed at Hilo, Hawaii, general sales offices for world distribution have been opened at 215 Market Street here, and eastern sales offices at 165 Broadway, New York. Walter G. Stromquist is eastern sales manager.

The company is establishing a sales organization to be operated divisionally in each territory, and warehouse stocks will be maintained at strategic points.

The advertising, through N. W. Ayer & Son, will consist chiefly of the use of local trade journals and newspapers and a direct-mail program for the assistance of dealers.

# Quinby Will Concentrate on Institutional Sales

Boston—W. S. Quinby Company, roaster of LaTouraine coffee, with headquarters here and plants in various cities in the east, middlewest and south, has been acquired by Adriel U. Bird, chain store man and associate. The Quinby corporate and brand name will be retained.

The new management will concentrate its distribution in the hotel, club and institution market.

#### More Nurito Promotion

CHICAGO—The Nurito Company, maker of Nurito rheumatic remedy, will increase its advertising budget this year from \$150,000 to \$200,000. The account is handled by Faxon, Inc., Chicago.

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#### Ziegfeld Girl Typifies the Modern Motor Car

CHICAGO—Not only was Wini Shaw, Ziegfeld Follies girl, found to typify the new Rockne car but the entire Chicago Automobile Show. Rockne Motors Corporation chose her, from fifty other show girls, but she bore the title Miss Automobile Show. The actual choosing was done at Chicago last week by Frederick Tellander (left), portrait painter, George Mulligan, sculptor, and Louis Levy, automotive executive. The new Rockne six appears beneath Miss Shaw.

"Of the fifty, she was believed most nearly to symbolize the grace, charm and sparkle of the modern automobiles" Mr. Tellander said

biles," Mr. Tellander said.
Miss Shaw's specifications were not given. There is about her, however, a bit of Floating Power, and maybe she goes in for Free Wheeling. She appears in the picture to be Air-Cooled (albeit hot air), and her attitude indicates almost Wizard Control. Some wag suggests that Miss Shaw also has extra bright lamps, good body lines and paint job, and clutch control. Too bad Chevrolet did not pick her as

the Great American Value for 1932.

#### British Radio Companies Organize Patent Pool

LONDON—Six leading makers of tadios and phonographs here—Gramophone Company (Victor), Columbia, Marconi, Western Electric, British Thomson-Houston and Standard Telephone & Cables—have established a patent pool.

Under the agreement any manufacturer licensed to use the combined patents must not import radios and phonographs.

F. C. Topham of Marconi is agent for the pool.

#### Acquires FineArt Foods

PHILADELPHIA—The FineArt Foods
Philadelphia, subsidiary of the
Pennsylvania Sugar Company, there, has
acquired the factory of the FineArt Foods,
Inc., Tuckahoe, New York. It is now
distributing instant coffee and tea for
household use and flavoring grades for
candy and ice cream under this name.

NEW YORK—To provide its dealers with a higher profit margin, Gotham Silk Hosiery Company, while lowering prices of its Gold Stripe line twenty-five to fifty cents a dozen, has made no change in retail price.

#### P. O. Still Seeking Three-Cent Rate

NEW YORK—Reports that the Post Office Department is abandoning its effort to persuade Congress to increase the rate on first class mail from two to three cents an ounce, were denied in a letter to the Merchants' Association of New York this week, from F. A. Tilton, third assistant Postmaster General

The department's suggestions advocating the rate increase, Mr. Tilton said, are now before Congress.

The Merchants' Association estimates that the adoption of the three-cent rate would result in an additional 'tax' on correspondence emanating from New York City of \$17,000,000 a year.

#### Air Shipped Mail Orders

CHICAGO—The Chicago Mail Order Company has inaugurated the shipment of merchandise through the Century Air Express. Starting on the Cincinnati route, regular service to St. Paul, Minneapolis, Kansas City, Memphis, Pittsburgh and Buffalo will be opened in the next few weeks, E. M. Schnadig, president, has announced.

# Colgate vs. Palmolive: \$25,000 for Blurbs

CHICAGO—"Blurbs" on the relative merits of Palmolive and Colgate shaving creams, both products of Colgate-Palmolive-Peet Company, will receive prizes aggregating \$25,000 in a contest announced this week.

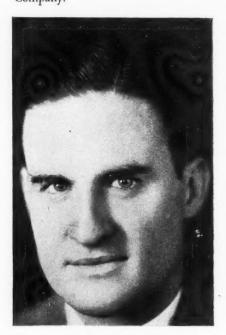
In a four-section strip two characters are shown discussing the merits of the two products—the fourth section being left vacant for use by Palmolive and Colgate users. The company provides a list of four principal advantages of each product to be used by the contestant in writing his blurb. Two hundred and thirty-two prizes, the first of \$500, are given for blurbs on each product monthly.

The name of Colgate-Palmolive-Peet Company does not appear in the announcement. Contestants are advised to send their blurb merely to P. O. Box 1133, Chicago.

#### Nestle's Milk Names Norton President

NEW YORK—D. F. Norton has been elected president of Nestlé's Milk Products, Inc., to succeed the late Lewis R. Hardenbergh.

As vice-president of the company, Mr. Norton functioned as executive assistant to Mr. Hardenbergh in both production and sales capacities. Before joining Nestlé's in 1926, he was connected with the Carnation Milk Company.



H. W. Newell, whose appointment as vice-president in charge of sales of Frigidaire Corporation, Dayton, was announced in

this magazine last week.

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Pottsville ALLENTOWN

Nanticoke @ WILKES-BARRE

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oArchbald

READING

ERSEY

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Bridgeton Millville

CoatesvilleO O West Chester

WILMINGTON

BUFFALO 500,000 Population and Over = Class I COLUMBUS 250,000 to 500,000 Population=Class II = Class III 100,000 to 250,000 50,000 to 100,000 = Class IV = Class V 25,000 to 50,000 = Class VI 10,000 to 25,000 Durango Largest towns under 10,000 in sparsely populated districts. SCHENECTADY ALBANY TROY Hudson

Key to Symbols and Type

MANCHESTER @ HAVERWILL ON **O**Keene Nashua O Fitchburg LOWELL Gardnero W ONo. Adams ONO. Adams Gardnero O Wor OAdams O Atholo Clintor NEW Greenfield S S. Marlboro No. Northamptono WORCESTER Millord Color PITTSFIELD M Thompsonville Bristolo @BRITANWilliman Kingston⊙ Poughkeepsie © Newburgh @ Danbury Ansonia Milford Middletowno **b**Port Jervis Peekskill O
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Sunbury

OMt. Carmel Of Offamadua Easton Phillips Westfield Offamadua Easton Phillips Westfield Offamadua Easton Phillips Westfield Offamadua Elizabeth

Somerville Somerville South River

Ashland

Ashland Vicinity of NEW YORK CITY, PHILADELPHIA, **BOSTON** and BALTIMORE

oClaremont

Concord 2

A sector from the new

SALES CONTROL MAP of the United States and Canada

THIS map, based on an exhaustive study of population areas (as distinct from municipal boundaries), has been designed especially for sales executives. It shows comparative importance of all city-areas of approximately 10,000 population and over by see-at-a-glance symbols and graded type.

The complete national map, size 44x30 inches, is available through SALES MANAGEMENT for \$3.50. Please send check with order. Address Reader's Service Bureau, SALES MANAGEMENT, 420 Lexington Avenue, New York.

Copyrighted 1932 by The Mapdraft Company, New York, map specialists. Patent applied for.

# Government in Business

#### BY JAMES TRUE

Director, Washington Bureau

Washington, D. C., February 9.—The national campaign to end money hoarding is expected to show results within the next thirty days. Its political significance will be apparent only in the organization of the campaign and to the public it will appear to be a non-partisan drive to return

money to circulation.

The remaining factors of the administration's prosperity-back program will be hastened and the next number is expected to appear as soon as the anti-hoarding organization is completed. The administration will make every possible effort from now until September to improve business conditions. And Republican leaders are hopeful of a definite upturn soon enough to convince the voters of the country that a change of administration would retard development and delay a return to normal business.

The Reconstruction Finance Corporation has already saved several large banks from failure, it is privately said; the railroad pay cut is encouraging, and the expectation of Washington observers is that the stock and bond markets will soon reflect reviving confidence. The full influence of the Government will be exerted to take advantage of every encouraging factor and officials generally expect a rapidly improving sentiment to be expressed, at a steadily increasing rate, in material business improvement.

Interest in Radio Legislation is growing, and radio manufacturers are preparing to cooperate with national and local advertisers in a vigorous opposition during committee hearings on the two bills now before Congress. One bill would limit all advertising to the announcement, "This program is sponsored by — — — Company." The other provides that all Sunday broadcasts shall be free of commercial advertising. The opposition will prove to the committees that our radio programs are very much superior to those of England, where advertisers do not support radio, and that the public is against the proposed legislation.

**Postal Savings Limit** will not be increased during this session of Congress unless further and more successful legislation on the subject is introduced. The House committee has disapproved two bills. One proposed to increase the limit from \$2,500 to \$5,000 and the other placed the maximum at \$10,000. Both bills were opposed by banking interests, although it was generally admitted that the passage of either bill would have tended to decrease hoarding.

The Philadelphia Industrial Area, as defined by the Bureau of the Census, is covered by an eleven-page newspaper release. The area comprises five counties in Pennsylvania and three in New Jersey. Within this area there were 7,184 manufacturing establishments in 1929. The usual figures and break-downs for these concerns are contained in the report and copies will be procured for readers who promptly request them. Address the Washington Bureau of SALES MANAGEMENT, 1099 National Press Building, Washington, D. C.

The Federation of Women's Clubs has begun its program of investigation to give its membership of 2,500,000 women an opportunity "to gain a more practical knowledge of the relation between the wise spending of the individual consumer's dollar and national prosperity; to gain a more sympathetic understanding of some problems encountered by producers and distributors in their efforts to serve the consumer efficiently; to gain a more purposeful recognition of the fact that woman, as the family buying agent, has a definite responsibility in connection with acquiring wise spending habits that will tend to put the consumer's dollar into profitable circulation; to do something with this knowledge, understanding and recognition of responsibility that, without cost to the individual, will constitute a cooperative movement of national importance." Department of Commerce officials say that the findings of the investigation, the first of which are expected within sixty days, will be of inestimable value to manufacturers of many kinds. The subjects covered are returned goods, deliveries, credit relations, advertising reactions, and the production and selection of desirable merchandise.

Sources of Current Prices, of special interest to business men and students seeking information on commodity prices, are covered by a compilation just published by the Department of Commerce. The compilation lists approximately 1,700 commodities and presents more than 800 sources for current prices. Copies of this handbook, bound in cloth, are obtainable at \$1.10 a copy. Send all orders to the Superintendent of Documents, Government Printing Office, Washington.

Tax Threatened Industries will do well to determine how the bottlers of the country have prevented tax burdens. The American Bottlers of Carbonated Beverages have announced the defeat of three tax bills in Arizona during January at a special session of the legislature. "The victory in Arizona," the association states, "makes a total of twenty-one states in which our industry has defeated attempts to impose special taxes on its products since 1925, when the obnoxious 20 per cent retail sales tax was enacted in South Carolina. . . . In connection with the defeat of these bills, which has confined state persecution of our industry to South Carolina, it is interesting to note that the revenue derived from the tax in that state is steadily declining."

Substitution of Private Brands is not as extensive as many manufacturers and others believe. The findings of the Drug Survey indicate that attempts at substitution are surprisingly few, comparatively, and that still fewer of the attempts succeed. As factors in unprofitable distribution, the findings show that failure to stock, suggestions to the customer who does not specify a brand, and suggesting additional uncalled-for items far exceed the successful attempts to switch from a called-for brand. By far the greater part of substitution is the selling of one nationally advertised brand when another is called for in smaller stores that find it impossible to carry all popular brands in various lines.

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# Managing Salesmen in 1932

# A survey to be issued as Part 2 of SALES MANAGEMENT for February 27

- We asked a representative cross section of our readers, "What is the most pressing problem of today which SALES MANAGEMENT might help you to solve?"
- Many suggestions were offered (which are being answered in current and coming issues) but the leading problem-question was, "Tell us how other companies pick and train their salesmen and how they stimulate them to maximum productiveness."
- SALES MANAGEMENT in the past three months has interviewed hundreds of sales executives on the subject, and examined what would make a good-sized van load of portfolios, sales manuals, bulletins, charts, contests, office records, sales films, and the like, and has selected for publication in the February 27 issue those plans which have proved most productive, and which are adaptable to diverse lines of business.

#### . . . Table of Contents

#### INTRODUCTION:

Section 1: Seventeen Sources for Finding Good Salesmen

Section 2: How Can We Efficiently Train Salesmen?

Section 3: Equipping and Stimulating Salesmen

Section 4: How Shall We Pay Salesmen?

Section 5: Routing and Field Control of Salesmen

Section 6: Fifty Plans for Increasing the Productivity of Salesmen

 Among the companies whose tested and successful plans are described and illustrated are: Timken-Detroit, Felt & Tarrant, General Electric Refrigerators, Sparks-Withington, Electrol, Larrowe Milling, Corry Metal, Standard Brands, Graybar Electric, SKF, General Cigar, Frederick Stearns, Goodrich, General Foods, Bird & Son, Oakland, Worthington Pump, Gifford Wood, Syracuse Washing Machine, and scores of others.

WATCH FOR IT: With your February 27 copy, coming with the compliments of the editors of SALES MANAGEMENT.

# Editorials

ONEY THAT CAME BACK AGAINST THE TIDE: Unusual interest attaches to happenings in the cigarette industry in 1931, the tale of which is just coming to hand. The leading manufacturers made more money than ever before. They put more dollars into sales promotion of their chief product than in any previous year. Yet their combined output was fully 5 per cent less than the year before—the peak year. Apparently public acceptance, influenced by enforced economy, had waned a little, and reports from the tobacco fields indicate that the growers had some reason for complaint. . . . Most of the statistics leading to this odd medley of conclusions are now available. We know that R. J. Reynolds, makers of Camels, Liggett & Meyers, makers of Chesterfield, and Lorillard, makers of Old Gold, added substantially to their earnings. We have every reason to believe that American Tobacco, makers of Lucky Strikes, increased its earnings of 1930, which exceeded those of 1929 by some \$10,000,000. . . . How have the big companies managed to do so well in a year of pretty universal distress? The answer is simple. About the middle of last year they raised the trade price of their main product from \$6.40 to \$6.85 a thousand—nearly 6.6 per cent, in spite of the trend to cut prices almost everywhere else manifest. At the same time they expanded their advertising, which was already on a great scale. The dealers made some readjustment of retail prices but as a rule they were not in a position to advance the traditional single package price. . . . What this meant to the manufacturers is easily reckoned. The Big Four put out something like 88 per cent of all the cigarettes smoked in this country. The number on which the Federal tax was paid in 1931 was slightly more than 113,000,000,000 compared with 119,-000,000,000 the year before. This meant that the best known brands had a volume last year of about 99,000,000,-000. The additional profit accruing from the price increase effective near the middle of the year was not far from \$8,000,000, allowing for reduced sales in the second half of the year. A considerable part of this sum went for increased advertising, leaving a net gain of some millions to be divided among the four companies. That is to say, on gross sales approximating \$600,000,000, less discounts, from which the Federal government took a half in taxesat the rate of \$3 a thousand cigarettes—the four big companies were able to extract an added profit on their share of the proceeds. . . . To have done this under the most favorable circumstances would have been a noteworthy achievement rare in the annals of American business. Considering the general adverse conditions and the prevailing downward price trend, the feat, to say the least, was extraordinary. (We say nothing of the fierceness of the

competition which has been almost without parallel.) On its face the results obtained must obviously redound to the credit of advertising. It is possible, of course, that public demand for cigarettes, which until 1930 grew by leaps and bounds after the Great War, would have persisted without the assiduous advertising to which the industry resorted with a vigor and persistence that was stimulated rather than abated as signs of the extent of the business depression multiplied. But other products which enjoyed great popular favor and were allowed to coast largely on their own momentum without the spur of advertising in full force have not succeeded in maintaining their pace-and in this connection we do not refer to articles in the luxury class which are most affected by impaired buying power. In any case we venture to assert with little fear of contradiction that most business men would rejoice greatly if, by the methods adopted by the tobacco companies, they had been able to make up ledgers which tell such a story of progress against the tide. Do advertising and courage pay? Ask the cigarette makers.

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- EARING THE END: A puzzling feature of the present situation is the continued sagging of prices of commodities, including not only foodstuffs and such materials as rubber, zinc and hides, in which there has been no attempt at manipulation, but copper and sugar, which have been the object of world stabilization projects. With respect to copper and sugar, it may be said that, although the first effect of the plans to bring supply and demand into unison was salutary, particular circumstances have deferred the consummation sought. But the more obvious conclusion is that liquidation has been pursuing its inevitable course after a long period of such inflation as the world had never seen before. . . . It may be that the end of this depressing course has not yet been reached; rash observers have blundered more than once in venturing to say that the bottom had been touched while we were still far above present price levels. All that can be said with confidence now is that present excesses in the downward trend have fairly matched former excesses in the other direction, which is a pretty good reason for believing that something like equilibrium is at hand, and that signs of a better understanding of the situation are multiplying fast enough to warrant assurance that the public mind is freeing itself from the obsession of fear which has long held it in thrall. We may not yet have set our feet on the road to recovery, but we are no longer stumbling downward in despair of ever finding a level stretch. The surest symptom that a change is coming is our acceptance of the need of lowered costs of production.

#### "Business is What You Make It"

(Continued from page 223)

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On a special form provided for the purpose, each jobber submitted to the General Electric Lamp district office the names and records of his salesmen who qualified for "Brighten Up" prizes. Each district then sent three names to Nela Park, the home office of General Electric's Incandescent Lamp Department, after securing as much data as possible on the merchandising assistance rendered by these salesmen to their agents. From the thirty-three names sent to Nela Park (three each from eleven districts) the judges selected the winners of the three grand prizes. The "Brighten Up" prizes were then awarded to all qualifying salesmen of each jobber.

The "Brighten Up" campaign incorporated the use of a still-film outlining the entire activity, used by General Electric Lamp's district managers and their salesmen in presenting the activity to jobbers and their salesmen. In addition, six teaser cards were prepared for district salesmen to mail to Edison Mazda Lamp agents during the week preceding the opening of the

activity.

Broadsides, booklets, lapel buttons, letter attachments, special campaign kits of display aids for agents, portfolios of suggested newspaper advertisements for use by agents, and a host of other novelties and sales helps were included in the material offered for use in the activity.

#### Pierce-Arrow Coordinates Sales and Advertising

BUFFALO—"Business recovery, we believe, will be accelerated through a complete unification of sales and advertising forces," explained A. J. Chanter, first vice-president and general manager of Pierce-Arrow Motor Car Company, in announcing this week the appointment of William L. Baldwin as director of sales development and advertising, a new division in the company.

Mr. Baldwin has been with Pierce-Arrow for fifteen years-formerly as advertising manager, recently as assistant general sales manager. H. S. Bishop, supervisor of the company's advertising for the last six years, becomes advertising counsel, in association with

Roche Advertising Company. Kenneth W. Vance and Norman O. Gilbert have joined Pierce-Arrow's sales staff—the former in sales promotion, the latter as a field representative. News Item — New York World-Telegram — January 30, 1932

## RETAIL VOLUME **IN RURAL AREAS** AT 15.4 BILLION

Small Town Stores Do Third of the Nation's Business, Survey Reveals

Special to the World-Telegram.

WASHINGTON, Jan. 30. - The small town retailer sells approximately \$15,415,125,000 in goods annually, or approximately 30 per cent of the nation's retail business, the Department of Commerce revealed today in a survey of rural distribu-tion, now being compiled.

The retail trade in small cities and rural areas presents an opportunity and challenge to manufacturers and wholesalers desirous of building up retail outlets," an offi-

cial stated.

"Stocked with desirable kinds of foods, and rendering good service, it probably will be a long time before the small town retailer passes out of the picture, if at all. It is evident that residents of these areas supply by far the major part of their needs from home stores.

#### General Store Important

"The general store is of special importance, supplying an outlet for nearly \$2,000,000,000 in sales annually, or nearly 4 per cent of the entire annual retail business of the United States.

"The data on retail business in small cities and rural areas are of

great significance. While numerous studies have previously been made of retailing in metropolitan areas, only a scattering few have been made on the retail business in small cities and rural areas. In fact not only persons living in the cities but also many of our economists and research workers have been so accustomed to thinking in terms of city affairs and metropolitan merchandising that the importance of small cities and rural areas in our national economic life has been largely overlooked.

That this is true is indicated by the surprise manifested by many persons when data were recently re-leased showing that 52 per cent of the total population of the United States still live in the small cities

and rural areas

#### 52 Per Cent of Population

"Further, as manufacturers and wholesalers come to realize that, after all, farm families and residents of the small cities by no means go to the large centres for all of their merchandise, it will lead to consider-ation of the advisability of devoting more advertising appropriations to the type of publications that reach this market.

"The total number of persons living in the small city and rural area is 64,434,969, or 52 per cent of the total population of the United States, while 30,157,513, or approximately 25 per cent of the total population, live

on farms.
"In the United States there are 5,270 towns and cities of 1,000 to 10,000 population, divided into various size groups as follows:—851 cities and towns between 5,000 and 10,000; 1,332 between 2,500 and 5,000; and 3,087 between 1,000 and 2,500. In addition there are 10,346 incorporated places of less than 1,000 population which in many instances are important trading centres."

Here is one medium, edited exclusively for small town families, that will sell your merchandise in 14,000 Small Towns.



Read Every Week by Over 425,000 Families in 14,000 Small Towns Williamsport, Pa. Member A. B. C.

1882 - THIS IS GRIT'S 50th ANNIVERSARY YEAR - 1932

# Media and Agencies

Eleven thousand women, a number equal to half the population of the city, recently turned out to attend the four-day cooking school sponsored by the Janesville Gazette. Four afternoons and one evening were devoted to the sessions, which were broadcast over WCLO, the Gazette radio station. Thirty-one advertisers took advantage of the opportunity to have Mrs. Adeline Dunne, Gazette "homemaker," feature their products. For its size, this small city newspaper sets a stride in enterprise that leaves many of its big-town newspaper contemporaries in the stragglers' ranks.

Good for you, Cramer-Krasselt! This intrepid advertising agency is among the few that can point to an increase in business in 1931 over 1930. Twenty-eight and fifteen-hundredths per cent it was—a figger at which not even the meanest competitor could scoff. As proof of their belief in the soundness of American business and its responsiveness to well-directed stimuli, Cramer-Krasselt opened two new offices in 1931, effecting complete coverage of the country's strategic business centers. We quote Mr. Krasselt: "We have found that the aggressive, sales-minded manufacturer is now able to employ the recognized tools with a greater effectiveness, due to the timidity of bewildered competitors. As for ourselves, we aim to increase our volume during 1932 by a minimum of 20 per cent. Our methods for obtaining new business parallel our recommendations to clients whose problems are our own."

The publishers of the White Plains Daily Press thought it was about time they did something to brighten their particular corner of the tarnished old world. Taking a tip from Ballyhoo, which gets away so magnificently with handing business the horse laugh, the Press recently dedicated a day's edition to the burlesquing of text and advertising. More than 90 per cent of the advertising prospects approached on the proposition closed without a wriggle. The extra business necessitated the addition of a sixteen-page section and an extra run.

F. S. Laurence, executive secretary of the Producers' Council, Inc., has resigned to become associated with Taylor, Rogers & Bliss, Inc., marketing counselors in the building field, as director of its Architectural Service Division. . . . Harold L. Eves has been appointed Director of Industrial Relations of the General Outdoor Advertising Company, Inc.

Sponsors of commercial radio programs may now check on time losses on any station on their radio network, irregular station service or any other factor affecting the commercial value of a broadcast presentation. Radio Network Surveys, Inc., has developed a field organization of 300 men, 90 per cent of whom are disabled World War veterans, to serve as "Broadcast reporters" in a nation-wide survey of 174 stations of NBC and CBS. Service supplied by Radio Network Surveys, Inc., is classified as "Standard" or "Special". Standard

service includes a report to a program sponsor and his advertising agency on time losses, irregularities in station service, receiving conditions and counter-attractions which might reduce the listening audience on reported programs. The special service includes data on preceding programs, program popularity, station ranges and spot broadcasting.

Charles F. McCahill, vice-president and business manager of The Cleveland News, recently organized a monster civic luncheon dedicated to the automotive industry. Sixteen hundred of Cleveland's foremost citizens assembled to gather inspiration from Richard H. Grant, of General Motors, and laughs from "Bugs" Baer.

Edgar Kobak, vice-president and general sales manager of the McGraw-Hill Publishing Company, and president of the McGraw-Hill Company of California, left New York on February 3 for his annual business trip to the Pacific Coast. On February 15 he will address the Advertising Club of El Paso.

The last name has been lopped off the old Houston *Post-Dispatch*, henceforth to be known as the Houston *Post*.

Gotta grudge against the Street? There's a way in which you can give vent to it and actually be paid for doing it. The Bond Club of New York publishes annually a paper called the "Bawl Street Journal," devoted to satirizing the doings of the financial district. The funny part of it is that the Wallstreeters take it—and like it! The publishers will award \$850 for material accepted for publication. If you're interested, you might send to Mr. Straley, at Dent, Smith & Company, Inc., 60 Broad street, New York City, for a copy of the booklet "Writing the Bawl Street Journal."

Last week Al Shuman, vice-president of the Fort Worth Star-Telegram, featured his twenty-fifth consecutive visit to the Chicago Automobile Show. By staying at the Blackstone Hotel, he also chalked up a continuous record of twenty-two consecutive years at this hotel.

Henry Ewald, who knows a little something about automobile shows, doubts if there is another newspaper man in the country who can come anywhere near equaling this record.

Erwin, Wasey & Company is happy to announce that three and possibly more of the products of its clients will be included in a special display of unique American packaging to be exhibited March 6-12 at the famous semi-annual Leipzig (Germany) Trade Fair. America's quota for product display at this event is only eight. Products so far definitely selected include the Cotton Picker and Blue Jay lines of Bauer and Black, and the new Vita-Fresh pack of Maxwell House Coffee marketed by General Foods Corporation.

Account changes: Angela Varona, beauty preparations, New York, to George C.

Sherman Co., Inc. Magazines, newspapers and radio will be used. . . . The Administrative and Research Corporation and Ross Benson and Company, Inc., of New York; Smith Burris and Company, of Chicago, Omaha, New Orleans and Detroit, and Ross Benson and Company, of Salt Lake City and Los Angeles, sponsors and syndicate managers of Corporate Trust Shares, to Edwin Bird Wilson, Inc., New York, as their advertising acency. . . . The Propper-McCallum Hosiery Company, The Propper-McCallum Hosiery Company, New York, to the Hazard Advertising Corporation. . . The C. G. Meaker Company, makers of Ivanhoe coffee, a new brand of coffee, to Soule, Feeley & Richmond, Inc. . . Van Blerck Marine Engine Corp., Newark, N. J., to O. S. Tyson and Company, Inc., New York. . . . The Village Blacksmith Folks, of Watertown, Wisconsin, manufacturers and nature. town, Wisconsin, manufacturers and na-tional distributors of cutlery, household and butchers' knives, small garden tools and similar equipment, to Freeze-Vogel-Craw-Ford, Inc., Milwaukee. . . . The George E. Prentice Manufacturing Company, manufacturer of Prentice Slide Fasteners, New Britain, Connecticut, to Dorrance, Sullivan & Company, Inc., New York. National magazines and trade press. . . Eastman Gelatine Corporation, Peabody, Massachusetts, owned and operated by the Eastman Kodak Company, Rochester, New York, to Dorrance, Kenyon & Company, Boston. New England daily and weekly newspapers. The Milson Company, manufacturers of Health-O Quality Products, to Procter & Collier Company, Cincinnati, Ohio.

F. A. Andrea, Inc., Long Island City, New York, manufacturers of radios, electric re-York, manufacturers of radios, electric re-frigerators and wireless electric irons, to H. E. Lesan Advertising Agency, New York. . . . The Tide Water Oil Sales Corporation, New York, to Kenyon & Eck-hardt, Inc. . . . Gorton-Pew Fisheries, Ltd., Gloucester, Massachusetts, to Batten, Barton, Durstine & Osborn, Inc., N. Y.

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Personnel changes: Harry J. Winsten, formerly president of Winsten-Sullivan Advertising Agency, and recently vice-president of Hadden & Company, New York, becomes a vice-president of H. E. Lesan Advertising Agency, New York. . . . Mahlon Marston, formerly eastern advertising manager of Photoplay, and Harold L. Dawson, formerly advertising manager of Screenland and Silver Screen, are now on the advertising selling staff of Modern Magazines. . . . George N. Merritt, in charge of sales promotion, has been made general manager of the Porter Corporation Advertising Agency. . . . Glen Buck retires as president of the Glen Buck Company and becomes vice-

the Glen Buck Company and becomes vicepresident of the D'Arcy Advertising Company of St. Louis. . . . L. B. Sherman,
Jr., formerly advertising manager of Newsstand Group, has joined Rupert Thomas,
Advertising. . . Nesbitt Wilcox, recently with General Outdoor Advertising
and with Outdoor Advertising, Inc., is now
associated with Criterion Advertising Company, New York, as special representative.
. . . Oscar Cooley, managing editor of
Advertising & Selling has resigned to become secretary of the Cooperative League
of America.

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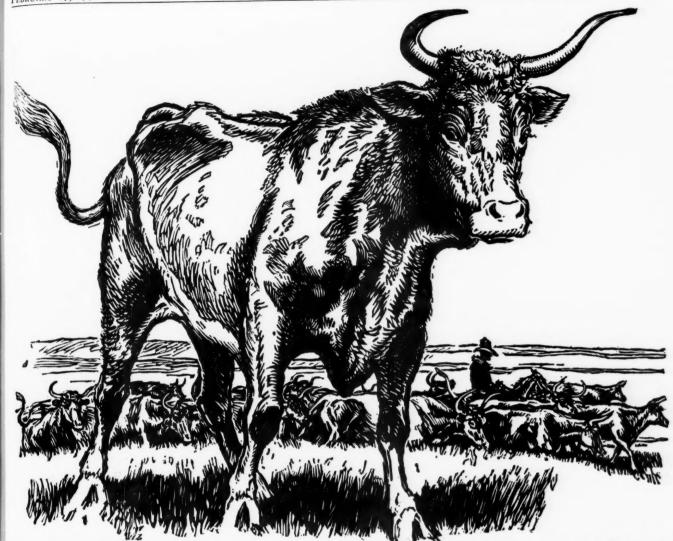
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## CIRCULATION "OFF THE HOOF"

You don't buy a steer to get a beef steak. The cowboy and the packing house and your meat dealer combine to give you just the cut you want.

The rest of the animal is valuable. No part is wasted. But if it were not for a gigantic industry, the waste would be stupendous and inevitable. It would be waste if, to get your beef steak, you had to buy any part of the animal you could not use.

The Parents' Magazine cuts out and delivers circulation beef steak—not circulation "on the hoof."

It does not reach unmarried women, married women without children, or married women whose children have grown up.

It reaches only the mothers of growing children—the "market of greatest buying expectancy" for advertisers of foods and household equipment.

If you want circulation beef steak, you can get it in The Parents' Magazine. It is not necessary to buy a whole steer "on the hoof."

the PARENTS'
MAGAZINE

EARLE R. MacAUSLAND, ADVERTISING DIRECTOR, 114 EAST 32nd STREET, NEW YORK

### Sales Ammunition

"You have acquired about a million dollars' worth of selling ideas," a prominent S. M. once remarked, after discussing facts I've gathered during 25 years of investigating, advising and reporting in the distribution field.

If YOU want-

To reduce selling costs-To build up good will-

To overcome cut-throat competition-

To win back lost accounts-To make your prospects glad to see your salesmen-

Probably I can help you.

No charge for consultation. Fees are based on results. Write me at once while we both have time to solve your pet selling problems.

JAMES TRUE

National Press Building Washington, D. C.

### Memo to Advertising Agencies ...

Route to: Librarian

Research Department **Account Executives** Space Buyer

SALES MANAGEMENT has recently compiled in booklet form the 1930 Newspaper Lineage of 2,203 General and Automotive

This list includes the lineage of all general and automotive (formerly called "national") advertisers using newspapers in three or more of the ninety largest cities in the United States, as recorded by Media Records, Inc.

Price thirty-five cents. Check or stamps with order.

Address SALES MANAGEMENT, Inc. 420 Lexington Avenue **NEW YORK** 

## Will the Big Retailer's Salvation Be More Profitable Specialties?

(Continued from page 219)

extra function merchandise above the selling price of staple merchandise. Then, having determined who make up the market, what they are interested in, and what can be sold them profitably, he must determine what will be the means by which this market may be reached.

All the available means of cashing in on the opportunity presented by this new market, both within and without, will be incorporated in a complete specialty merchandising program by the thorough marketing men among the manufacturers by whom such new markets are required.

I shall not attempt to cover comprehensively the features of the entire specialty program necessary to cash in on this market. I do, however, want to offer one suggestion which will indicate how unusual are some of the methods that are open now for use in approaching this market. For instance, there is a great opportunity in connection with so-called related departments or locations. Dorrance, Sullivan & Company report a recent survey made by General Foods which resulted in finding that the average grocery store makes practically no attempt to sell the customer any more than the actual product asked for. And the same situation exists in almost every other kind

Now we know from surveys, not made by us, that 68 per cent of the sales of washing machines in department stores go to the mothers of one or more growing children. The first great opportunity then for reaching a concentrated group of potential customers for washing machines is in the children's or baby's department. An intelligent salesman stationed there with one high-priced, extra function machine has the opportunity to interest highly potential prospects who do not know they need a washer but who can be made to want one when the safety, performance and economy of a modern machine are demonstrated to them. Then, remembering that the washer is made to wash washable fabrics, a salesman with a new and different machine should be placed in the lanes of traffic to and in such departments where washable fabrics are sold.

In recent years, as fast as the stores built new buildings or went "high grade" under the stimulus of the mailorder house competition, washers were thrown off the main floor. Now, however, the hard times are melting away this false dignity. Intelligent executives are realizing that the people coming in their front doors are now actuated by entirely different desires and necessities than they were in 1928 and 1929.

For instance, in 1928 and 1929, and for ten years before, we had sold washing machines almost entirely on the appeal of saving time and labor for the housewife who was doing her own washing at home. The depression has almost eliminated this market, but now we have open to us a new onealthough the people who compose this market do not know that they should own a washer. In 1928 and 1929 they were having their laundry done at home by hand by servants or were sending it out to a washwoman or to the laundry. They were not interested in the saving of time and labor, but in eliminating the whole process. Now, however-with the reduction in income—they are vitally interested in the economy the washer will effect for

I know that similar shifts have occurred in the buying power of old markets for other appliances. New considerations are entering the lives of people not formerly in the market for these appliances. And these, if intelligently and vigorously handled, will enable the merchant to replace the old market with the new. I think, too, that similar opportunities to get in touch with these people on the first floor of the store should be given the appliance department, because such contacts in such great numbers on the first floor are going to be infinitely less expensive than individual contacts in the field.

Obviously, prospects for ranges and refrigerators can be found in the food department, where there is such a department in the business; vacuum cleaners in the rug department, etc. All of these people may be contacted by salesmen of these appliances on the first floor. All of these prospects may also be arrested, intrigued and interested—possibly convinced and actuated to buy—by a live active window that educates the prospects in what the appliances themselves will do and then illustrates graphically what these separate performances of the appliances mean to the prospect in terms of what that prospect is now most vitally interested in having done for her.

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These most valuable booklets of the week will be sent free to executive readers who make a separate request for each one on their business letterheads. Booklets will be mailed by the companies which publish

Address SALES MANAGEMENT, Inc., Reader's Service Bureau, 420 Lexington Avenue, New York.

#### Office Systems

Taking Red Tape out of Business Forms. Management that, at the moment, is concerned with cutting down overhead expense, will be interested in this outline of the most direct procedure for eliminating red It is an item worthy of the attention of the executive, when you consider that office costs make up from 25 per cent to 60 per cent of general expense and that routine forms (and their handling) make up a large proportion of this cost. The book aims to tell you how the margin of profit you are responsible for may be cut into as little as possible by overhead waste. The procedure is developed according to the following order:
a. Classification of Forms

b. Inter-Departmental Relations

The Purpose of Each Form d. Analyzing Present Method

e. Preparing the Commentary f. The Flow Chart

g. Static Forms
h. Controlling Flow of Routine
There are process charts showing how the routing of routine forms for a variety of purposes may be cut down appreciably by study of the problem. Also includes directions on the design and production of forms. Offered by the Champion Coated Paper Company.

#### Market Surveys

Interviewing by Telephone. After experimenting with various ways of reducing the cost of obtaining information in the field, the Arnold Research Service presents in this booklet its findings on how to get the maximum amount of return for a mini-mum cost in survey operations. The uses, advantages and limitations of telephone in-terviewing are discussed. There is a list of purposes for which the telephone can be used to advantage, and one listing types of interviews in which the telephone should not be used. Samples of questionnaires used in telephone surveys are given.

#### Catalogues and Binders

Increased Sales through the Use of Molloy Made Products. Sales managers engaged in building catalogues, house organs, sales manuals or any commercial books will be interested in Molloy's suggestions for apinterested in Molloy's suggestions for appropriate covers or binders. Illustrations in color show how concerns like General Electric, Gleeson Jewelry Company, Greenlee Woodworking Machinery, etc., have worked out striking effects in design, grain, coloring and binding. If you've had occasion to stifle groans or blasphemy over torn or lost pages, you will want to see the suggestions for securely fastening rebellious sheets. bellious sheets.

#### Markets and Media

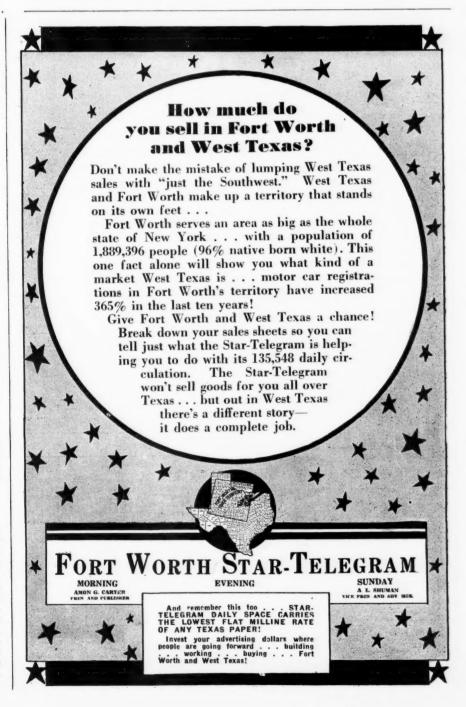
One of the best route lists we've seen is that of "The Billionarea," the greater St. Louis market, gotten out by the St. Louis Post-Dispatch. In the case of the grocery Post-Dispatch. In the case of the grocery route list, for instance, there is a separate booklet for each town, in which is given the population, the type of district (residential, commercial or industrial), average purchasing power (very high, high, medium, low), purchaser characteristic (luxurious, liberal, thrifty), nationality and color, these of homes (residences two family flats). types of homes (residences, two-family flats, apartments, other flats), building activity (active, moderate, slow), buying centers, transportation. Then follows a list of the individual outlets in the town.

#### Advertising

Appeals to Specific Audiences. What with all the hue and cry about quality as against quantity circulation, Mr. J. Lawrence

Arnold's contribution to the controversy should come in for some attention. In an unpretentious but provocative folder, Mr. Arnold expresses his views on the place of trade, industrial and class publications in the advertising campaign. He outlines what each of these groups of papers may be ex-pected to accomplish for you in the way of influencing dealers, jobbers, fabricators, manufacturers and mass buyers of products and materials. Tells why advertisers may not feel justified in calling upon their general advertising agencies for advertising service of this type, and describes the alternative for realizing the maximum amount of benefit out of specific audience advertising.

SAN FRANCISCO—Pacific Coast headquarters of the Russell Manufacturing Company, Rusco automotive products, Middletown, Connecticut, have been moved to 1157 Post Street.





+ + RETAIL SALES AT THE CHICAGO AUTOMOBILE SHOW were 55 per cent greater than last year.

+ + + THE FEDERAL RESERVE BOARD reports a 19 per cent increase in bank debits for the week ending February 3.

+++ The Lumber Companies of The Country booked 80,000,000 feet last week, and shipped 71,000,000, which was 20 per cent more than the week's cut.

+++ The Reading Company is buying thirty multiple-unit passenger cars at a cost of \$1,500,000. . . . The Santa Fe will spend \$13,000,000 this year for additions and betterments to its lines.

+ + REMINGTON RAND'S DOMESTIC TYPEWRITER SALES in December were 46 per cent better than in November, and January sales exceeded those of December.

+ + + Sales of Standard Cotton Cloth by the mills in January exceeded the month's output by 25 per cent.

- + + BANKRUPTCY CASES in Massachusetts were only 183 in January, compared with 222 in 1931.

+++ The Employment Index of the Detroit Chamber of Commerce stood at 69 on January 31, compared with 67 January 15, and 41 at the end of October.

+++ In Illinois 5,164 New Auto-MOBILES WERE SOLD during January, as against 2,389 in December.

+++ HENRY FORD'S DEARBORN BRANCH sold 103 new Lincolns at retail in January—the total representing almost half as many cars at this branch sold during all of 1931.

+++ The Scripps Motor Company of Detroit sold 33 1/3 per cent more marine engines during the Motor Boat Show in New York in January than during the show last year.

+++ The Locomotive Shops of the Big Four at Beech Grove, a suburb of Indianapolis, will resume operations February 15 with a full force of 1,200 men.

. . Operations at the Macbeth-Evans Glass Company's plant at Elwood, Indiana, have been increased from 70 per cent to 100 per cent.

BOSTON Via Providence, thence by bus or rail PROVIDENCE \$3.00

ABOVE FARE INCLUDES BERTH IN CABIN

Sailings every day and Sunday, Pier 11, N.R. at Liberty St., 6 P.M. Tel. BArclay 7-1800. OUTSIDE rooms running water \$1 up. Dancing-Music by Jack Frost Colonial Orchestra.

COLONIAL

STEAMSHIP

+++ Registrations of New Cars in Wayne County (Detroit) for January show some big increases. Chevrolet reg-istered 594 as against 197 in January last year. Other companies are Hudson-Essex, 300 versus 154; Oldsmobile, 112 against 108; Buick, 106 versus 106; Graham-Paige, 68 versus 35; Plymouth, 47 versus 41; and Hupp, 41 against 20. . . . Production of Cadillac and LaSalle cars in January exceeded any previous January except that of 1929.

+ + + THE INDIANA TRUCK PLANT in Marion, Indiana, will make a 300 per cent increase in production over 1931, beginning March 1.

JANUARY SHIPMENTS OF KEL-VINATOR REFRIGERATORS were 23 per cent ahead of last January, which was the pre-vious high. . . Shipments of Leonard Refrigerators during the month gained 34 per cent over last year.

+++ The Four Wheel Drive Auto COMPANY, Clintonville, Wisconsin, starts the year with the largest volume of commercial orders in the history of the company. The machine departments of the factory are working twenty-four hours a day in three shifts. Other departments are working with full crews five and one half days a week.

+++ Earnings of the Kroger Gro-CERY & BAKING COMPANY in 1931 approximated \$1.40 a share on the common stock, as against \$1.15 in 1930.

+++ Sales of General Motors Cars and Trucks to national fleet users in January were 55 per cent ahead of the same month last year—and represent the fifth consecutive monthly increase.

+ + LOADINGS OF L C L FREIGHT for the week ending January 23 increased 1 per cent over the preceding week.

+++ R. G. DUN & COMPANY'S Monthly Index of Average Commodity Prices stood at 141.34 on February 1, as compared with 140.68 on January 1.

+++ Shipments of the Auburn cent . . . Buick, 6 per cent.

+ + + Bradstreet's Weekly Food In. dex remained unchanged at \$1.82.

+ + + ATTENDANCE AT THE DETROIT AUTOMOBILE SHOW passed 150,000 compared with the attendance last year of 97, 814. . . On the opening day of the Baltimore show 4,580 persons passed through the turnstiles—an increase of 1,632 over last year. . . . The Philadelphia show broke all last year's records. . . . New attendance and buying records were hung up at the Newark show.

+ + + DUPONT'S NET INCOME LAST YEAR from its own activities, and invest-ments other than in General Motors, topped 1930 by \$221,651.

+++ For the Sixth Consecutive Month Reo Motor Car Company's commercial car sales exceeded the corresponding month of last year.

#### Widen Scope of Burner Show

BOSTON-For the ninth annual oil burner show, to be held under the auspices of the American Oil Burner Association here, April 11-16, the membership requirement has been waived to permit accessory or associate exhibition. Heretofore only members of the association could show their products there. More than 10,000 people are expected to attend the showing at the Mechanics Hall, and fifty burner, fuel and accessory concerns have made reservations.

#### Jewel Seeks 77 Stores

CHICAGO—Jewel Tea Company is negotiating for the seventy-seven stores in the Chi-cago area of the American subsidiary of Loblaw Grocerterias, Inc. The offer does not include the fifty Loblaw units near

#### Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display Cash Basis Only. Remittance Must Accompany Order

#### **EXECUTIVES WANTED**

IF YOU ARE OPEN TO OVERTURES FOR new connection and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service of recognized standing and reputation through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements, your identity covered and present position protected. Established twenty-two years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

warehousing, packing, shipping dealer helps. Highest references. Estimates furnished without obligation. Address Box 329, SALES MANAGEMENT, 420 Lexington Avenue, New York City.

#### SALES PROMOTION

dileint's personal requirements, your identity covered and present position protected. Established twenty-wo years. Send only name and address for details.

W. Bixby, Inc., 118 Downtown Building, buffalo, N. Y.

IMPRINTING JOBS WANTED

QUICK SERVICE. GOOD WORKMANSHIP.

OW Rates. Have fine equipment and space for details.

OW Rates. Have fine equipment and space for specialty retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nation-wide, running to \$100,000 monthly. 35 years salesmanship-in-print experience back of our campaigns. Submit sales problems for free diagnosis, 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.



#### 'GIBBON*S knows* CANADA'

J. J. GIBBONS Limited, Canadian Advertising Agents

